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THE CLOSING OF SOCIAL SECURITY FIELD OFFICES

HEARING

BEFORE THE

SPECIAL COMMITTEE ON AGING
UNITED STATES SENATE

NINETY-NINTH CONGRESS

FIRST SESSION

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THE CLOSING OF SOCIAL SECURITY FIELD OFFICES

MONDAY, SEPTEMBER 9, 1985

U.S. SENATE,
SPECIAL COMMITTEE ON AGING,
Pittsburgh, PA.

The committee met, pursuant to notice, at 9 a.m., in room 212, the Hill House Center, 1835 Centre Avenue, Pittsburgh, PA, Hon. John Heinz (chairman) presiding.

Present: Senator Heinz.

Also present: Stephen R. McConnell, staff director; Larry Atkins, deputy staff director; Isabelle Claxton, communications director; and Kimberly Kasberg, staff assistant.

OPENING STATEMENT BY SENATOR JOHN HEINZ, PRESIDING

Chairman HEINZ. Ladies and gentlemen, good morning. This is a hearing of the U.S. Senate Special Committee on Aging. I welcome you all.

As you know, this year we are celebrating the 50th anniversary of the establishment of the Social Security System. Social Security is not only the Nation's most important domestic program, it is also the most successful social program in our Nation's history. We can all be very proud of the tradition the Social Security Administration has established, of getting the benefits to the people with a minimum of administrative expense and bureaucratic redtape.

In the past, the agency has generally operated acceptable offices staffed by professional and courteous personnel. Today, as we hold this hearing, the Social Security Administration is preparing a new computer system to improve the speed and accuracy of their work so that they can be more responsive to the public. The motto of the Social Security Administration is to get the right check to the right person at the right time. Although we have known them to fall short on occasion, we commend them for having the right idea.

A decade ago, the Social Security Administration placed an emphasis clearly on serving the public well, on reaching out to underserved communities and encouraging people in those communities to apply for the benefits due them and on bringing services to the people. Today, however, I fear that the Social Security Administration may be on the verge of sacrificing its proud tradition of public service on the altar of cost reduction for its own sake.

It was only 2 years ago that the cost-cutting Grace Commission recommended that the Social Security Administration eliminate 17,000 staff positions and close over 800 field offices. Their ration-

ale was that it would be cheaper to operate a single large office of 50 to 100 employees in a city of 500,000 to 1 million people than to operate several small offices, and the Grace Commission told Social Security to review their offices and see if they really needed all the small ones.

This year, SSA informed Congress that they plan to reduce their staff by 17,000 and have begun a review of all their field offices. As they carry out this review, the burden is on the Social Security Administration to prove that they are not merely cutting service in the name of cost savings but, in fact, are seeking to provide more acceptable, timely, and accurate service to the public.

To provide better service, perhaps the Social Security Administration will need to move or close some offices. Populations move and change, and the nature of SSA services will change. However, these changes are not rapid, and there is time to discuss these changes with the communities affected and with the Members of Congress, and, most importantly, to do so before the fact.

Equally important, the Social Security Administration should not become obsessed with cutting costs. This Agency today operates the most efficient administrative services of any private or public insurance program. Administrative costs have dropped in recent years as a proportion of their total spending, and today the Social Security Administration spends only a little more than 1 percent of its outlays on administration. It seems much more important to me to dedicate the resources that are necessary to insure that Social Security trust funds are not wasted through payment errors, processing delays, backlogs, and poor service in crowded offices.

It is no challenge for the Social Security Administration to save itself money by closing offices. Now, that is really easy. Closing the Hill District office will save the Social Security Administration $46,000 a year in rent and utilities, but at what cost to the people who need this office for services and at what cost to the confidence of this community?

The budgeteers in the Social Security Administration may have difficulty measuring the cost or even caring about it, but this is a real cost in human terms, and one which an agency like Social Security has to consider.

I am pleased that some of my friends from the Hill District are here today, and I hope that they will tell us in no uncertain terms what they think this closing means to the people in this area. I hope that the Deputy Commissioner from Social Security, who is here—we are glad to have him here—will find a way to include these important concerns in his reviews of what the agency will be doing in the future.

With that, let me welcome our panel of residents from the area: Sister Helen Elizabeth McElwain; Byrd Brown, distinguished lawyer and community leader; and Charlie Harris, also a very distinguished community leader.

Sister Helen, would you please proceed with your testimony. We welcome you all.

STATEMENT OF SISTER HELEN ELIZABETH McELWAIN, S.C., PITTSBURGH, PA, ST. JOSEPH'S HOUSE OF HOSPITALITY

Sister HELEN. Thank you, Senator, We want to thank you for taking the time out of your busy schedule to come.

Senator, it is difficult for able persons such as ourselves at this meeting to understand that the relocation of the Hill District Social Security office to the downtown is a hardship for the poor. I think, particularly, of the SSI recipient who must come to the office periodically for reevaluation. He suffers some form of disability; the infirmity of age, mental, or physical limitation. He may be unable to use the bus or to walk several blocks. He does not have a car and taxi money is hard to come by. He may be confused and unable to find his way in downtown, and the heavy traffic of Penn Avenue may be a hazard for him. Service by phone as an alternative is frequently unavailable, and there are many people who find that a home phone is a luxury that they cannot afford. Living and working with the poor, I know these things are true.

Nearly one in four of Hill District clients are SSI recipients, determined by SSA itself to be disabled persons. I ask that their needs weigh heavily in the decision-making process. Our country will continue to be blessed as it act compassionately toward the less able among us. My hope and prayer is that the necessary efforts may be made to continue service in the Hill District.

I thank you.

Chairman HEINZ. Sister Helen, we thank you very much. Sister Helen, you brought some members of your residence today. Would you like to introduce them to us.

Sister HELEN. I would like you to meet Mr. Muse, the gentleman first here, and Mr. Henry Locke, and Mr. Jim O'Rourke. I told them you might ask them something, but I wasn't sure if you wanted to hear them say anything or had the time.

Chairman HEINZ. I might have some questions for them later when we get to questioning, but I do not have a question for them right at this moment. But thank you for accompanying Sister Helen.

Now, Byrd Brown.

STATEMENT OF BYRD BROWN, PITTSBURGH, PA, LAWYER AND COMMUNITY LEADER

Mr. BROWN. Senator Heinz, our distinguished senior Senator in the Commonwealth of Pennsylvania, I believe there are some administrators of the Social Security office, my fellow panelists and neighbors, now I concede right away a lack of knowledge concerning the basis of the proposal to, apparently, merge the Hill District Social Security office into the downtown unit.

Someone has suggested that cost effectiveness is perhaps the predicate for this move, but I cannot believe that this can be the case. Because if cost effectiveness is truly the basis of this proposal, then it is clear to me as someone who has an office in downtown Pittsburgh, where the rent is relatively high, that the downtown office should then be moved just one-half mile to the low-rent, free-parking area right near the site of this hearing.

However, there is an additional consideration I suggest that you factor into your decisionmaking process. Every election year, we note Presidential candidates, both the winner and the loser—and this goes back to several administrations now—they are constantly, since 1968—all of us remember Palm Sunday of 1968 and the so-called riots. Ever since then, Presidential candidates have held press conferences in inner-city areas that appear as bombed out as Beirut, Lebanon.

We have been hearing promises about building the inner city. We have heard promises about minority business. We have heard promises about minority enterprise zones. Every major candidate has made these promises, including the current President.

We must understand that Government offices are, in fact, businesses; but this administration proposes to remove its business from one of the primary areas in this community which the President himself has promised to help rebuild. By removing, rather than bringing in consumer dollars, the administration's proposed action will, in fact, accelerate decay and thwart growth. I suggest that it is inevitable that private investors will continue to shun an area which the Government abandons. I also suggest that if rebuilding the so-called inner city is, in fact, a sincere concern or important priority which survives election day rhetoric, then it is imperative that the Social Security office in our area should be expanded rather than removed.

Thank you.

Chairman HEINZ. Byrd, thank you very much.

Charlie Harris.

STATEMENT OF CHARLES HARRIS, PITTSBURGH, PA, ADMINISTRATOR OF MINORITY BUSINESS ENTERPRISES

Mr. HARRIS. Your Honorable Senator Heinz, honored guests from Washington, ladies and gentlemen, I find out that attorney Byrd is a hard man to follow, and I have been following him for some 25 years when he was president of our NAACP. About 25, 20-some years ago, I went to Attorney Brown and asked him that we needed a committee, some kind of committee, to deal with the problems in our community, and we initiated the United Negro Protest Committee. You know what happened after that. Attorney Byrd Brown was our president, and we decided that we were going to deal with all the ills in our community. Since then our NAACP bylaws prohibit some moves. At that time we felt that what we would like to do is rid our community of all the ills and make it a place worthwhile living in.

We don't want you to be disturbed by the crowd, because we always feel in our community that we were always left out and always forgotten. In so many instances today, people don't show because they think it is not going to do any good anyway.

We appreciate you, Senator, coming here today and remembering us, because we will intend to, hopefully, remember you at the right time.

Our priority was to get jobs for people, to lift up the standard of living—I had something I was told here about 7 minutes, but I can't read it all, so I am going to cut it down to about 1 minute—to

create business and an atmosphere that would encourage minorities. We opposed slum landlords, absentee persons living out of the community. We wanted to set directions to give the people in the area a pride in our community and to invest and to rebuild our community.

But I think that Attorney Brown touched on those things that was important, but I think what I would like to say here at this point is we want you to know that our senior citizens and our people on fixed incomes will take a beating if this office is removed. We can't understand moving this office when we had at one time something like 28,000 people in this area, voting people. At the same time, we had in this area and we have in this area approximately now about 25,000 minorities. About 95 percent of those are the minorities. Yet, still, an area comparable to this area, like Brentwood, Mt. Lebanon, North Side, Manchester, you retain those offices when you see the need to remove this office. We can't understand that. When this ZIP Code here is 19, we are part of 19, and 19 is downtown. So you are going to change the rules and the guidelines now.

We are talking about the businesses, viable businesses, just a stone's-throw away from here, Fisher Scientific, Civic Arena, Chatham Center, United States Steel. Downtown is 19. Why move us to take us someplace else. Move them, as Attorney Brown says, up here. We have adequate parking over here. We have a wonderful building over here. The building is fantastic. It has enough room there, enough free parking.

There was a time when we had to borrow money to go downtown when the bus fare and streetcar fare was only about 13 cents. Now it's a dollar. I can't believe you want to take this office away. When you take away the office—the living institutions, the viable businesses are here—you destroy and break down our community.

What we are saying is to consider us, count us in. Don't count us out. Remember, our dollar makes a difference between a profit and a loss, and our vote makes a difference between a winner and a loser. Thank you.

[The prepared statement of Charles Harris follows:]

PREPARED STATEMENT OF CHARLES HARRIS

Thank you for taking the time out of your busy schedule to deal with a problem that plagues our community.

I have been involved for over 25 years in community affairs: the problems that make our community or break our community.

Thinking back to when we first set up an ad hoc committee called the United Negro Protest Committee. A committee set up by seven men to deal with problems such as the one we are dealing with today. Not only was this Committee set up to relieve the work load of our NAACP chapter, it was formed to do some of the things that NAACP could not do because of their bylaws.

Our priorities at that time were to get jobs for people, to lift up the standard of living in our community, and rid our community of slum land lords, segregated and sub-standard businesses and create an atmosphere that would encourage minorities to become entrepreneurs. Not only were we opposed to slum land lords and absentee business persons who live out of the community, but we wanted to set goals and directions that would put the responsibilities on the people who lived in the community to become business persons as well as taking pride in our community. To invest and rebuild our community and to encourage the lending institutions and other viable businesses to remain and help us in this process. Because we were aware

then and we are aware today that once the viable businesses and the lending institutions leave our area it starts a deterioration that cannot be stopped.

We noticed in our communities that the dollars spent turn over as much as seven times and remain in that community. However, the black experience teaches us that the same dollar spent in the predominently black community turns over just one time and quickly leaves our community. We know that that can be disastrous in time and we want to correct it.

As a civil rights activist, it has been my belief that there are two things that count in our community. One is the power of the vote. Two is the power of the dollar. It is my belief that the power of the vote can make the difference between a winner and a loser. The power of the dollar makes the difference between the profit or loss in most businesses. So, we believe that in our community we have to use both of those effectively. We are constantly teaching our people not to sell the vote for pieces of silver nor continue to spend the dollar like it is going out of style, but to vote correctly and to spend selectively so that we can get the most out of both to improve the living in our community.

I do not want to expound any more. I want to give you some statistics to substantiate what we are trying to say. I have not forgotten what we are doing here.

According to the 1960 and 1970 census statistics (and we recognize that it has declined in some instances since then) our figures show us that at the time of those census's we had almost 28,500 minorities in this area, (approximately 95% of the population) and now we are safe to say that we still carry 25,000 people in our projects. We understand the level of illiteracy, we understand the age problem, and the underemployment problem. But we are still people striving to have a better community and seeking first class citizenship and we recognize that the average income per family at this time was something like $5,000 a year and that was high. Many of our families in these blighted areas were living on incomes of less than $3,500 a year. We were still required to do as other citizens and pay our taxes, and that we did and are still doing.

As we look around us we have many businesses just a stones throw away from us: the Civic Arena, Fisher Scientific, The Boy Scouts of America, the U.S. Steel building, just to name a few, as well as many offices on upper Fifth Avenue. They are in this zip code, 19, just as we are. We do not mind that because that gives our community some importance. It makes us a viable community. We have the downtown zip code into the heart of the city. When people talk about moving the Social Security office from our area and bring us into downtown, I do not really understand it. Particularly when you have the Mount Lebanon District Office, the Brentwood District Office, the Northside District Office. They are not talking about moving those offices to my knowledge. Yet we carry more people (according to statistics) than any of the three I have mentioned.

I have had the opportunity of touring the present site of our Social Security office. It has other business entities operating there. It has more than adequate parking space. The interior and decor is unbelievable. Last but not least, not only is it in the community where the people live, the businesses, the parking. Would you believe right next door we have the Number 2 Police Station? What more could anyone ask for? And so I beg you to understand our predicament in this area. People young and old seeking employment, senior citizens, people on fixed incomes who many times do not even have the car fare to go to any other place to even shop let alone get information on the benefits available to them.

Yes, we are struggling here. Yes we do not like everything that we see and we do here. But we are good people. God fearing people trying to help ourselves, not only to find a better way of life, but just to survive. Moving this office would do a great dis-service to our community.

Chairman HEINZ. Charlie, thank you very much. Let me ask Sister Helen, when this office in the Hill District opened in 1969, the Social Security Administration was making an effort to reach out to the disadvantaged minorities and to encourage the residents of those communities, a lot of whom were SSI people, to make use of SSA services. Do you think that approach was a good one and has it been effective?

Sister HELEN. It has been most helpful, Senator. Just as an illustration, the week before we had this little meeting, I took one of our recipients down from our house to the local office, and altogether it was about an hour to get in and out.

Chairman HEINZ. Which local office?

Sister HELEN. Here, the Hill District office. About 2 weeks later I had to take another gentleman, Mr. Henry Locke, who is sitting here, and it must have taken the best part of a morning. First of all, I did take the car, and to find parking and then to have to wait our turn. I think the dependent people in our area have to have people accompany them in so many cases, and the presence of the office here makes it very helpful to us who are working with the poorer people to have them get the service of the Social Security office with, I think, relative ease and less difficulty.

I look at Mr. Muse now. If Mr. Muse had to get out down on Penn Avenue, it would be a real hardship; right, John?

Mr. MUSE. Yes.

Sister HELEN. It has been a very big help for the poor.

Chairman HEINZ. Could you explain for us why it would be difficult for Mr. Muse to go down to Penn Avenue.

Sister HELEN. I think because of the heavy traffic and that Mr. Muse has to move very slowly to get in and out of the vehicle, and, at least as I see it, that area should have increased transportation with the Convention Hotel Development. The traffic is fast moving, and Mr. Muse and others like him are slow moving, and to hold up traffic and to increase the number of disabled people that have to get in and out of vehicles seems like a very small item to most of us who run in and move and keep on going, but this is not possible for Mr. Muse and many like him.

Chairman HEINZ. How many people are in Mr. Muse's situation or in a similar situation where it is going to take, instead of an hour to solve their problems a half a day or a day?

Sister HELEN. Well, I don't know that I have a number, Senator. I did find out that about one in four clients here in the Hill is a SSI recipient, and I focus on that as particularly the persons with mental or physical disabilities. Henry could not find his way downtown to the office even though it is a short distance from here. Is that not true, Henry?

Mr. LOCKE. The trouble is that people have trouble finding their ways, because it is so far away and they have to walk so far to get to the bus. When they have to walk so far to get to the bus, several streets, it's hard to find their way around.

Sister HELEN. Would you feel able to take the bus by yourself downtown?

Mr. LOCKE. If it stopped right directly in front of the place or near the place so I can see the place, I could do that. You park the whole way on the other side of downtown, and you have to walk. But even though you eventually find it, it is still difficult.

Sister HELEN. Thanks, Henry.

Chairman HEINZ. How often does an SSI recipient have to check in at the Social Security Administration office?

Sister HELEN. I believe about every 6 months. Maybe Mr. Mamula could tell us. Is that an evaluation approximately of every 6 months?

Mr. MAMULA. We do it approximately every year.

Chairman HEINZ. Once a year, all right.

Let me ask Byrd Brown. Byrd, you made some thoughtful comments about how important it is to send signals to the investor

community that Government is behind the economic development and growth of a community like the Hill District, and when the Government appears to give the signal that they are moving out or washing their hands, that it has a very adverse effect on the private investment in the Hill District.

What more can you tell us about that? What have you seen here over the last 10 to 15 years?

Mr. BROWN. Well, I have seen, actually, a policy that predates 10 or 15 years. When the city government was not doing anything to promote the economic viability of the community—because I believe their ultimate plan was to connect the Hill District with downtown and Oakland in a massive redevelopment. Now, that stopped, and we have reached more or less an impasse. What, basically, has happened is that the community can slip backward. It can stand still, which it has been doing, I think, or it could move forward.

I think that if the Government indicates to a community that we have confidence that you will continue to exist and confidence in your viability, then I think that private individuals will rally around that. We just talked about building sites. We have a new shopping center here. They are struggling and trying to keep moving. There are vacancies in that building. If the Government comes in and says, we will bring people into this building, these people will bring their spending dollars into the community. Hopefully, there will be spinoffs in this.

Clearly, the city of Washington is an outstanding example of what the Government can do to promote the city. If you took the Government away from Harrisburg and Washington, the city would collapse.

Our community does not depend on it, but our community does not have any economic entity to trigger a renaissance. Perhaps the Government in a small way or in a larger way can, in fact, help us to do this. But by turning your back on us, it certainly sends out a negative signal.

You know, we once had a post office and thought it would be a larger post office, and this didn't happen. We had a library, and we thought we would have a larger library, and this didn't happen. I think people in the community feel that they have—and they have, in fact, been abandoned.

One point about going downtown, they said I needed a written transcript, so I went downtown and parked in the parking lot to pick it up and to dictate it. It cost me $4 to park for 30 minutes. That's the kind of situation that we are basically talking about, if you can get a parking lot near wherever your downtown office is located.

In this community, we should also recognize that the Hill District is not the same as the community I was brought up in. There were no highrises for elderly. There are now two privately funded highrises for the elderly. There is one in public housing, and we have a community that really has many senior citizens and people of advancing age. I think that is a factor that should seriously be considered. Perhaps the average age of the people in the Hill District may be more than the average age of any other community in the city of Pittsburgh. Certainly, their -mobility is a great deal less

than the mobility of, say, senior citizens in Mount Lebanon or Fox Chapel. I don't mean to point out any particular area, but there is a real comparison, negative comparison, with respect to their mobility.

Chairman HEINZ. I think that is a good point. Let me ask Charlie Harris something. You were here, I think, when this office was established. Could you explain to us a bit more how the establishment of the Hill District office has helped this community?

Mr. HARRIS. Yes. Senator, I think that a good example of what has happened here is when Mr. Jim Henry took over here at the Hill House, and right now the Multi-Purpose Service Center is probably one of the best things that ever happened to the Hill District. As Attorney Brown said, when we brought those Government entities in here, what it did do to the people here, it gave them the sense that we belong here, not that we have to go somewhere else to transact business.

I think that when we had our protest group here, we wanted to make sure that there were good viable businesses, good places to make transactions in our own area. The money we spent is like money—we spent money like it's going out of style. We have one of the more profitable—82 is one of the most profitable lines that there is because we go to town all the time. We don't even have the money sometimes to go to town.

I think what we want to say here is that there are other areas, there is Mount Lebanon, that should be moved, maybe, or Brentwood, the more affluent area.

Everyone picks on this area. Ever since I have been here, over 25 years, everyone picks on the Hill District. This place has a forgotten, don't care attitude, but they all come back here when they need something. They need us. Show us that you need us.

I ask the gentleman here from the Social Security office, maybe you don't know about our town, our city. I live here, I work here. I cried here. You can't do this to us. If you take this away, you take away the backbone of our community.

So, Senator, I am very happy that you are here today. I am very happy that you have given us time, your time, because we are going to take it to the polls in the future. It doesn't matter whether you are Democrat or Republican. What are you going to do for us in this community, that is the way we believe. That is what we are thinking. We don't have a big crowd here today because we feel that it doesn't do any good, but I can say one thing, you have got attorney Brown here and myself. We have watched it. You don't have to be here. He takes his time our here because he is concerned in a community which he has grown up in, and I have worked and I have lived here. There are substandard homes, substandard foods, substandard schools, substandard businesses. Now you want to take away the one thing that we have that we thought was ours, an office where we could go and sit and be comfortable. It is a nice office. You are going to take it away.

Chairman HEINZ. Charlie, thank you. Let me ask you this last question, which is to what extent has the Social Security office here in the Hill District helped the community have a better understanding and brought about better use of the Social Security Administration programs, whether it is SSI, whether it is the Dis-

ability Program, whether it is making sure that the other people on fixed income get the kind of service that they need from the Social Security Administration?

Mr. HARRIS. That is a good question. Even I right now in a few years am going to need Social Security, I cannot even tell you where I am supposed to go to find out something about Social Security. Most of the people here cannot tell you unless they see a visible sign that says "Social Security," I need to go there to find out about my Social Security. By seeing it here, visible signs that a Social Security office exists, not to go downtown on Penn Avenue—I don't even know where on Penn Avenue. I couldn't tell you, and I am downtown every day.

Just the fact that it is here and we can identify it, we can see it over there, helps. It is easy just to walk across the street and go over to that office, and there are people there who are willing to sit down and take time with you.

Chairman HEINZ. Byrd, do you have anything you would like to add to that?

Mr. BROWN. No. I absolutely agree with that. The level of knowledge as to what Social Security benefits are and are not, I think, is very, very low, and I don't mean just among deprived people—among everybody. As an attorney, I cannot tell you—and I have represented people before Social Security, but I can only tell you what I know about representing the individual client, but the benefits that people can acquire through the Social Security Administration I don't think anyone knows that, and the fact that there is an office in the community where poeple can identify with that community which is not foreboding.

You know, many people go downtown only and they are in trouble. There are many people who just don't want to go downtown. They don't feel secure, and they won't. So they simply remain ignorant. So I feel the office is here and the office is effective, and no one has questioned that, that clearly it provides a much needed service for people who otherwise would just remain in ignorance.

Chairman HEINZ. Yes. Charlie.

Mr. HARRIS. Could I add just a couple things. Maybe some people say that it is not safe here. We will have you know, for those who do not know the Hill, right next door you have the No. 2 police station right across the street.

The second thing, for those who do not know, in the 1960's, 1970's census track we know that the highest amount of money made in this area for a person was about $5,000. The minimum or less for those people who are employed was something like $3,000, and that hasn't changed too much, whether you believe it or not, for most people in this area. So you are going to put another hardship on them. It costs, also, a dollar to go downtown and $1.50 for a jitney. And the cabs don't come.

Chairman HEINZ. Sister Helen, is there anything you would like to add?

Sister HELEN. Senator, I think in a meeting before, I inadvertently offended the downtown Social Security people, and they do a good job. I don't want them to think they don't. It is just the nature of the need of the people here that need a little more time. The persons, who are as the gentlemen say, either slow or con-

fused, sometimes it takes three times the amount of time for the worker to get through the evaluation with them. So that maybe on the report the worker doesn't look efficient, but it took them half an hour instead of 10 minutes. We know these people. You can explain the things maybe three times and then maybe they understand it fairly well.

I would just like to make a plead with the Social Security Administration, and let's all say, as one of our fellows said, hooray for Social Security. The last fellow at our last meeting said, hooray for Franklin Roosevelt. I think we appreciate that Social Security in its own principles are trying to support the poor people, these who are in need. So our effort is to ask that their needs not be outweighted by the economic considerations alone.

Chairman HEINZ. Very well. I want to just summarize what I think we have learned here, and perhaps when Social Security testifies, as they will in another minute or two, they will have some comments on it. But, first, we certainly have a high proportion of disadvantaged residents, one in four beneficiaries being on SSI, meaning they are either impoverished or have either mental or physicial impairments.

We have in this area a disproportionally high number of disadvantaged people. With all the difficulties added on that, the closing of the office requires several things. One, it requires the spending of a lot of money to get downtown. It doesn't seem very far, but $1 down and $1 back, and that's $2 every time you want to go down there if you take public transportation. If you are lucky enough to have cars, at least $4 for one-half hour.

Where social service agencies are 30 concerned—and Sister Helen is a principal in one of those agencies—it means an imposition of a great deal of extra staff time to accompany clients downtown. What you may do in 1 hour takes 3 or 4 hours.

At a time when the Federal and State governments are both asking local and private agencies to do more than they have been doing in the past, this is just an additional burden placed on people like you, Sister Helen, Byrd Brown and Charlie Harris, who give a lot of their time pro bono to help people. It is more time and effort and work for them and everybody in this community.

Finally, as Byrd Brown, particularly, emphasized, the economic development of this community is premised on having a good multiservice center like Hill House that attracts people to the area, that allows and provides a building block for the establishment of the shopping center across the street and subsequent economic development of the area. With the pulling back of the presence of Social Security, the sense of community and the promise of better times are significantly reduced.

I want to thank you all for your commentaries. It has been very helpful to me, and I trust it is going to be helpful to everybody else.

Charlie, you have one last point?

Mr. HARRIS. Yes, sir. I just want to tell you that it was sort of prearranged that people would not be pushing you this morning. We want to get a point across to you. I understand that the Hill House Association was going to send out a lot of invitations to be here today. We thought it was be more effective to let you know one to one. It's unfortunate that we were picked to do that, but

hopefully it will get the message across to you without a lot of disruption.

Chairman HEINZ. I want to thank you and also Jim, Henry, John, and everybody else for not causing a lot of people to make an unnecessary trip. I would not be here if I was not concerned, as you know, and back when this entire threat to the office surfaced this spring, as you know, I jumped right in. It just seems to me that Social Security needs to know not only what their priorities are, but what our priorities are.

I want to thank you for helping clearly establish those priorities.

Mr. BROWN. May I say one thing, Senator. I want to personally thank you for coming here. As a Senator of the United States, you could have a Senate hearing anywhere. Most of them that I am aware of would be in the Federal building. When I was first asked to appear, I assumed I was going to the Federal building, and I am just really amazed and very happy that you came here. I am certain that everyone in this community will know that you were here with us today, and it is not any real election pressure on anyone today. I certainly hope that this message of your coming here will also reverberate and be heard by the many other elected political officials who do not see it appropriate to visit our community except during campaign time.

Chairman HEINZ. Thank you all very much.

Our next witness is Herb Doggette, Deputy Commissioner of Operations of the Social Security Administration that is headquartered in Baltimore, MD. Mr. Doggette is accompanied by Rose Lepore, who is the Regional Commissioner of Social Security for our region.

Mr. Doggette and Mrs. Lepore, would you please come forward. Mr. Doggette, first let me say that we are delighted to have you here today. It is my understanding that it is the policy of the Social Security Administration to discourage Deputy Commissioners from leaving Baltimore and coming out and seeing what the rest of the world is really like. That is why you have regional commissioners, able people like Mrs. Lepore, who do a very good job representing the Social Security Administration. But we are pleased that somebody as potent and powerful as the Commissioner for Operations could come up here and see firsthand and hear firsthand, really, what is involved with respect to the operations of your agency. So I am quite serious when I say that I am very pleased that you are here, and I thank you on behalf of my constituents for coming here.

I think it is unusual for an elected official to be here. It is even more unusual for a Deputy Commissioner to be out of Baltimore.

With that warm introduction, I hope you can tell us how you are going to keep this and a lot of our offices that we are concerned about either open or how we can improve the quality of the service to our constituents. But you do have some testimony, and please proceed as you see fit.

STATEMENT OF HERBERT R. DOGGETTE, JR., BALTIMORE, MD, DEPUTY COMMISSIONER OF OPERATIONS, SOCIAL SECURITY ADMINISTRATION

Mr. DOGGETTE. Thank you very much, Senator. First let me say I do appreciate the opportunity to get out of Baltimore. There are times when I would rather be out here than in Baltimore. I appreciate in your opening remarks, Senator, your recognizing Social Security's 50th anniversary and longstanding commitment.

I must say I have already been highly impressed by the testimony of the panel and the dedication of the people who testified and the concerns that they have expressed. I have recognized for a long time that Social Security has an impact on the community, and I have had that recognition reinforced today.

My testimony today will outline the origin, purpose, and mechanics of the review process that we are undertaking and explain why we believe it will help us to do a good job in serving the public. The review process represents a continuation——

Chairman HEINZ. Before you start on that, just let me, really, give some information to some of the people here. We are very concerned, obviously, about the closing of the Hill District office, but it needs to be pointed out for the record that the Hill District is 1 of only 11 western Pennsylvania Social Security offices that are on your first priority review list. The other offices on the same list are Beaver Falls, Meadville, Monroeville, Brentwood, East Pittsburgh, Mount Lebanon, Shamokin, State College, and Somerset. There is a second priority list for review, Altoona, Ambridge, Butler, Charleroi, Dubois, Indiana, New Castle, New Kensington, Oil City, North Side Pittsburgh, Sharon, and Washington. There are a total of 18 first priority review offices statewide, 23 second priority offices for review statewide for a grand total of 41 offices under review. I point that out to emphasize that what we are talking about here is, in a sense, a much larger issue than just the closing of the Hill District office.

Whatever polls you have been using internally for review and decisionmaking, I anticipate, unless there have been some changes in the last several months, would, therefore, be the ones that you would be using to decide the fate of these other offices. I might add that this is all part of a national project aimed at looking at the some 700 or 800 other offices nationwide, as I understand it. I know you know all of that, but I am not so sure that everybody else in the audience knew all that.

Mr. DOGGETTE. Fine, thank you.

Chairman HEINZ. Thank you for letting me interrupt you.

Mr. DOGGETTE. I would ask that my full testimony will be entered into the record.

Chairman HEINZ. Without objection so ordered, and your full statement, which I have here, will be placed in the record given in full.

Mr. DOGGETTE. As I was indicating earlier, for some time, we have been concerned and had a general desire in SSA to improve the comprehensiveness and regularity of our reviews of field offices. In addition, we have had major shifts of population. Some expected office workloads never materialized. We have had a systems

modernization plan which has resulted in some changes in the way we do our business. For all of these reasons, we got together and developed a methodology for looking at our field facilities. The review procedures were designed to establish a clear, consistent, and comprehensive framework for evaluating the effectiveness of SSA field facilities.

Under this metholology, a number of factors are to be considered. These include beneficiary travel time to offices, waiting times, operational concerns, such as shifts in population, et cetera. Although all regions will use the same general methodology, the decisions that will be made will be made on the basis of these reviews tailored to the conditions in the local area.

The service delivery plan provides that all of our Social Security offices nationwide will be reviewed by the end of 1987, with the distribution of those reviews within that period left to regional discretion. That, Senator, is a slight modification of the original methodology. Thereafter, all of our offices will be reviewed on a continuing 5-year cycle. Obviously, some decisions to change field offices had already been initiated prior to the implementation of our service delivery plan, and I am sure we will talk a little bit more about that later.

In conclusion, Mr. Chairman, I would like to emphasize that the development of the service delivery review methodology predates the long range staffing plan of the Social Security Administration, and although a systematic review and updating of our field structure may allow us to provide equally good service with somewhat fewer resources, the primary purpose of the process is not to reduce staff or the number of facilities. The primary purpose of the review process is to provide a sound management approach to the delivery of services through the systematic application of clear, uniform procedures for evaluation. This process fully supports two of our fundamental SSA values; one, to administer the programs efficiently and effectively, and, two, to provide courteous, sensitive, and dignified service to the public.

Mr. Chairman, I would be happy to respond to any questions you have, since that concludes my statement.

[The prepared statement of Mr. Doggette follows:]

PREPARED STATEMENT OF HERBERT R. DOGGETTE

Mr. Chairman, I am pleased to be here today to discuss the Social Security Administration's service delivery reviews. I know that you and the members of your committee seek reassurance that SSA's current review of field facilities will not impair the quality of SSA's service.

My testimony today will outline the origin, purpose, and mechanics of this review process and explain why we believe it will permit us to continue to do a good job in serving the public.

ORIGINS OF NEW REVIEW METHODOLOGY

Although this review process is new, it represents a continuation of a longstanding management practice in SSA—review of the location, size, and accessibility of our public contact facilities. In the past, however, decisions to open, upgrade, downgrade, or consolidate field offices were often made in the context of localized workload pressures, obvious demographic changes, lease expirations, etc. As a result, application of national guidelines was at times uneven.

Thus, there has been interest on the part of SSA management in headquarters and in the field in developing a systematic process for conducting regularly sched-

uled reviews of the effectiveness of the network of field facilities nationwide using a more comprehensive methodology.

In addition to this general desire on the part of SSA management to improve the quality of field office reviews, there are several other reasons why a comprehensive look at all offices over the next several years makes sense. In many areas of the country, there have been major shifts of population—from the Northeast to the sunbelt, for example, and from older urban centers to expanding suburbs. Also, some of the offices opened in the 1970's in anticipation of large workloads from the SSI program did not experience the volume of work originally predicted.

Another factor is the movement toward modernization of SSA's claims process, which will enable us to process claims more promptly and accurately. Modernization will entail changes in both physical arrangements and procedures used in our field offices. These impending changes make our review of the field structure particularly timely.

DESCRIPTION OF METHODOLOGY

For all these reasons, SSA components nationwide collaborated to produce a service delivery review methodology that was formally transmitted to the Regional Commissioners in May of this year. The plan strengthens the previous review procedures by establishing a clear, consistent and comprehensive framework for evaluating the effectiveness of SSA field facilities.

Under the methodology, a number of factors are to be assessed. These include beneficiary travel time to offices, waiting times, operational concerns such as processing times for various actions, workflows, the need for changes in staff assignments and demographic issues such as shifts in population. Other management issues to be considered include effects on employees whose jobs might be relocated. Additional factors include salaries of claims processing and management employees, rent for office space, fees for local, long distance and toll-free telephone service and staff travel expenses. Many other factors are spelled out in the service delivery plan, but regions are not restricted even to this long list.

Although all regions will use a common methodology, the decisions that will be made on the basis of these reviews will continue to tailor service to local conditions. The plan explicitly states that the best service delivery approach will vary from place to place and will depend on such local factors as any non-English-speaking population, the availability of public transportation, and other travel considerations.

However, individual offices will not be reviewed in isolation, but as part of a group of offices that are related geographically. Some review areas may be as large as a State, county or city, or other areas dictated by natural geographical features. This broader view will enable us to see situations in which the area serviced by a single SSA office or a cluster of offices may need to be changed.

The service delivery plan also provides guidance on the timing of reviews. All offices nationwide will be reviewed by the end of 1987. The distribution of reviews within that period is left to regional discretion. Thereafter, reviews will be conducted on a 5-year cycle.

EARLIER DECISIONS

Obviously, implementation of some decisions to change field offices made under the old procedures was already in the works at the time the service delivery plan was announced.

For example, consolidation of offices in the Pittsburgh area has been under consideration for several years. Our decision to convert the Pittsburgh Hill District resident station to a contact station to be visited by an SSA representative twice a week was based largely on the fact that the claims volume there had been much less than anticipated. We also took into account the proximity of the downtown office (which is less than 2 miles away), the availability of public transportation, and the expiration of the lease.

Although the decision to make these changes in Pittsburgh preceded the formal inauguration of the service delivery reviews, it illustrates several aspects of the methodology very nicely. One point is that service to beneficiaries is carefully considered in assessing configurations of facilities. As a result of the consolidation, SSA staff who had only a handful of claims to process in the Hill district resident station (about 17 per week) have been moved downtown and will now work with the downtown staff to manage the combined workload. The net effect is that all beneficiaries in the Pittsburgh area can expect their claims to be processed faster and more accurately.

A second point is that the changes will have no adverse impact on SSA employees. Although several jobs will be relocated to another office, there will be no loss of grade, pay or seniority for these workers. As SSA's field structure has taken shape over the years, we have made a concerted effort to be responsive to the concerns of SSA employees who were affected by any changes, and we intend to be similarly sensitive to the interests of our employees in the future.

Finally, careful thought was given to alternative ways of providing service to those in the immediate vicinity of the Pittsburgh Hill office. Retaining a contact station rather than a full-time office was arrived at as a solution for those local area residents who would find it particularly difficult to travel to the downtown office. Toll-free telephone service is also available to these individuals for many types of questions and transactions that do not require an in-person visit to a Social Security office.

LONG-RANGE STAFFING PLAN AND SERVICE DELIVERY

In conclusion, Mr. Chairman, I would like to clarify the relationship between SSA's long-range staffing plan and the service delivery reviews—a relationship that has been distorted and overemphasized in some press accounts. To some extent the confusion is understandable, since both administrative initiatives have received considerable public attention over the past several months. The fact is, however, that development of the service delivery review methodology predates the long-range staffing plan. And although a systematic review and updating of our field structure may allow us to provide equally good service with somewhat fewer resources, the primary purpose of the process is not to reduce staff or the numbers of facilities.

As I explained, the primary purpose of the review process is to improve the quality of the service delivery reviews that have been conducted since the first SSA field offices opened nearly 50 years ago. It is an attempt to provide a sound management approach to the delivery of services through the systematic application of clear, uniform procedures for evaluation. In summary, the service delivery review process fully supports two fundamental SSA values—to administer programs efficiently and effectively and to provide courteous, sensitive and dignified service to the public.

Mr. Chairman, I would be happy to respond to any questions you or the other members of your committee may have.

Chairman HEINZ. Mr. Doggette, thank you very much.

Is there anything that you want to add at this point, Mrs. Lepore?

Mrs. LEPORE. No.

Chairman HEINZ. I do have some questions for you. Let me start with one that is really more directed at Mrs. Lepore than at Mr. Doggette. Mrs. Lepore, I am going to read something that may sound familiar to you.

The residents share a bond of common consciousness and pride. Radio stations, small newspapers and several area magazines are directed at the community. They furnish the air with a feeling of community pride. As a result, the Government has made large investments in improving the quality of life in the neighborhood. It is this community need that has encouraged us to keep presence there, although the physical location of the facility is only 1¼ miles from the parent office in midcity Pittsburgh. There is a definite need for the facility in the Pittsburgh Hill District. Nearly 33 percent of the residents or recipients of benefits administered by our Agency are disadvantaged. The present guidelines mandate the priority be given to areas with high percentages of disadvantaged residents with low income levels and low education, literacy rates. There is no area of Pittsburgh that better meets this description.

Mrs. Lepore, you wrote this statement when you reviewed the Hill District Social Security office in 1983. What is it about either this community or SSA's policy that caused you to change your assessment of the Hill District 41 office this year?

STATEMENT OF ROSE LEPORE, PHILADELPHIA, PA, REGIONAL COMMISSIONER, SOCIAL SECURITY ADMINISTRATION

Mrs. LEPORE. The truth of the matter, Senator, is that when I wrote that in 1983, it was an effort to maintain the services here. Probably at that time, based on what we have in records, we really should have been closing the office then. We wanted to give it more time. The workloads have reduced. They have continued to reduce. When I talk about workloads, I am talking about claims receipts, the people who actually come in to us for services.

We are concerned about the community, and yet we have to be concerned about how we provide these services to all people. Since our last meeting, Senator, we have agreed that we will continue to provide services to the people in the Hill. Rather than with the fulltime facility, we will come out 2 days a week. Right now we are coming into the shopping center. In the next few weeks, we expect to go into Ebenezer House and have a station there on Tuesday and Thursday.

I think we will just have to continue to look at it and see if the workloads justify our being here. I appreciate what we have had to do for the community, and we want to provide that visibly, but we also have to think in terms of how we best manage all of our resources.

Chairman HEINZ. What about your statement that with respect to Social Security Administration policy, which gives priorities of service to areas with high percentages of disadvantaged residents with low income levels and low educational and literacy rates? That is a Social Security Administration policy, is it not?

Mrs. LEPORE. Yes.

Chairman HEINZ. Mr. Doggette, is that still a Social Security Administration policy?

Mr. DOGGETTE. That certainly is one of the factors, Senator, that we take into consideration when we are establishing facilities or deciding to move a facility or consolidate a facility.

I will say that I also read the statement when it came in. We looked at it, and one of the reasons that we decided that we needed to maintain a presence here is related to that commitment.

Chairman HEINZ. Well, I am glad to hear, you know, that that policy is still SSA policy. What about your statement, then, Mrs. Lepore, that there is no area of Pittsburgh that better meets that description? The reason I ask that question, I think should be obvious. If that is true, you know, there are at least five areas on your list, Monroeville, Brentwood, East Pittsburgh, Hill District, and Mount Lebanon, that are targeted for review first priority, which probably means they are going to be closed if you stick to your present evaluation system. You are saying that the Hill District meets that description better than any of those other areas, and yet it is the first to be closed.

Mrs. LEPORE. I think a justification for why we retained the office here in 1983 as a full service office is that it did meet the criterion of being a community office.

Chairman HEINZ. You rushed through that a little quickly. I am not quite sure what all that means.

Mrs. LEPORE. Quite frankly, I think if we would go back to 1983 and relook at the situation, the Hill probably would have closed then as a full service facility.

Chairman HEINZ. Why?

Mrs. LEPORE. Because of the diminishing workloads, because of the number of people we had there who were serving a population which has been on the decline.

You have to understand that when we opened the office here, we were as committed as was your first panel this morning to assure that we help the community grow. We opened the office with the thought that the workloads would increase. We staffed the office along that line. We kept hoping that the Hill would be revitalized. We came out here in 1969. We waited, and we waited, and we waited. Rather than growing, it has been declining. It has been dropping. The population has been dropping. The workloads have been dropping.

In 1983, when we looked at the office at that point—and the reviews are not new, Senator. They have been going on all along; we just have not had them as formalized as they are now. But when we looked at it then, in all probability had we really, really not wanted to just give it one more try at seeing what was going to happen, we would have closed it. Our efforts were then to say, let's keep it open as a full service facility, let's observe it for another couple of years and see what happens. The workloads and population and beneficiaries have declined since then.

Chairman HEINZ. I am a little confused by that answer. Maybe there is an explanation, but what you have said is you opened it in 1969. You had high hopes, and it has been downhill ever since. Yet in 1980, it is my understanding that you actually physically moved in order to accommodate a larger number of employees.

How does that fact square with a reduction in caseload?

Mrs. LEPORE. Actually, Senator, when we moved in 1980 into the Phoenix Hill Shopping Center, our plans to acquire space were based on 24 employees that we knew we would never have there, very openly and honestly. We really, really tried seriously to help Phoenix Hill get started. We knew the community needed a shopping center. We knew we were a likely land tenant. We knew that if we had a sizable chunk of that property, we might help the town get started or the community get started.

We did not have 24 employees. We did not plan to have 24 employees. We just did it in an effort to help the community.

Workloads have diminished. We started off, I believe, if I am not mistaken, with about 16 people in 1980.

Chairman HEINZ. You are saying that in 1980, you decided that, for reasons you have not exactly made clear, you wanted to be helpful, and there were going to be 24 people up here, and today, this year, you are saying you do not want any people up here. That is a pretty big shift.

Mrs. LEPORE. Senator, I said that in 1980, we showed that we were going to have—the process with the General Service Administration is in order to justify *x* number of square feet, you must show *x* number of employees. To justify getting the amount of space that we thought would help the community, we showed that

we would have 24 employees. The staffing never reached 24, and never would have based on the workloads.

I point this out as it was an effort to try to help Phoenix Hill get started.

Chairman HEINZ. Now you seem to be going 180 degrees the other direction. Having tried to help, you want to cut and run.

Mrs. LEPORE. I do not think the workoads will allow us to stay.

Chairman HEINZ. I do not understand what has changed in 4 years that dramatically. The number of people just has not changed that dramatically. The caseload in 4 years has not changed that dramatically. What has changed in 4 years?

Mrs. LEPORE. The caseloads have changed, Senator.

Chairman HEINZ. How?

Mrs. LEPORE. The beneficiaries that were in the community have moved out. In 1980, we had 8,200 beneficiaries—individuals receiving benefits. In late 1984, we had 6,000. The number of people who come into our office has dropped. The number of claims receipts has dropped. The population has dropped.

In 1970 the population of the Hill was 32,230-some. The 1980 census shows 23,000 people. The 1986 census projection shows it will be down to 20,000. So there has been that change, Senator.

Chairman HEINZ. I understand all that, but going from a caseload of 8,200 to 6,000 is roughly a 25-percent reduction, 28-percent reduction. You are proposing, and you proposed earlier this year, a 100-percent reduction in the staffing and availability of this office. It just seems to me that going from an office that was planned for 24 people to an office that does not exist is just a very wide swing in policy that cannot be accounted for just on the basis of this slip in the number of cases. There must be a policy shift as well.

Mrs. LEPORE. If you are asking me if SSA has changed its policy about providing services in the community, it has not, Senator. If you are asking if SSA has changed to a policy of effective usage of resources, that has always been our policy, Senator.

Chairman HEINZ. Let me ask Herb Doggette something. Most of SSA's letters to Congress of this year's office closing emphasized that the intent of these office closings was to improve—to improve service to the public, not just to save money. Specifically, what elements of the field office activities did SSA measure when you assessed the quality of service to the public in these cases?

Mr. DOGGETTE. First, let me say that the word "improve" is a word that can be debated. I think our commitment, our real commitment, is to maintain the level of service that we have, certainly, in this country.

Chairman HEINZ. What are your measurements?

Mr. DOGGETTE. We measure public service. I would be the first to say that we probably do not have the best methodology to measure public service.

Chairman HEINZ. What methodology?

Mr. DOGGETTE. We have to use what we have available to us, and those are special studies that we will do regarding factors such as waiting time. We have a monthly report conducted to determine how many people come in the office, how long it takes to process a transaction, a claim or post entitlement event through a field office process.

We can look at the volume of work in the office and how fast it turns over, the number of weeks' work pending on hand. Those are the sorts of measurements that we can use today.

Chairman HEINZ. What do any of those regular measures have to do with measuring the quality of service to the public?

Mr. DOGGETTE. In addition to these measurements, let me mention a few that might get more specifically to what you are asking. We do in reviewing the performance of our field office employees.

Chairman HEINZ. Not so fast. I asked you a question about quality of service, and you reeled off a series of measures in terms of regular ones, weekly, monthly, quarterly ones, all of which sounded to me like management internal accounting reports on how efficiently your internal resources—people, computers, and so forth—are being employed.

Are any of those related to the quality of service, measuring the quality of service to the people that you serve, just for my own benefit?

Mr. DOGGETTE. I think I am not quite understanding precisely what you are trying to get to, Senator.

Chairman HEINZ. You mentioned that you did special studies on waiting time.

Mr. DOGGETTE. Yes.

Chairman HEINZ. I do not know how often you do them, but, clearly, one measure of quality of service is waiting time.

By the way, what kind of waiting time? Waiting time sitting there in the office waiting to have someone help you, waiting on the phone, waiting to get through on the phone once contact is made, waiting for whatever process is taking place to take place? There are many different kinds of waiting, all of which are quite important to the beneficiary.

Another measurement of service is an average time that a beneficiary has to spend going from their residence down to the office and getting help down there. The use of time to one of them. The cost of accessing the office is another.

One of the things that I guess Rose Lepore mentioned was that the Hill District office is 1½ miles away from the downtown office.

Mr. DOGGETTE. Let me say that individually all the studies or reports that I mentioned get to the issue of the quality of service to the public. When I refer to special waiting time studies, these are taken on an ad hoc basis with no particular schedule. Whenever a field office feels that may be a problem in the waiting room, we check how long a person waits from the time they are taken into the office until they are taken care of by one of our interviewers.

If you look at the processing reports, we look at how long it takes for a claim to be paid from the date it is filed. That is also a measure of service to the individual. I will mention a few others. We do evaluate, for example, our incoming telephone calls. We have a process that we call service observation. In our 34 telephone service centers in SSA, we get about 20 million calls a year, and we monitor about six-tenths of 1 percent of those calls with a manager or supervisor listening in, and that is pre-announced so the employees know they are being monitored. We will listen in to make certain the procedures are being followed properly, the right information is

being given, the employee is courteous to the client, et cetera. We do advise the employee of the results of that monitoring.

So we do have a number of activities we engage in on a pretty systematic basis to try to measure the service to the public. One shortcoming that I think we do have is that we do not do direct questionnaires on a routine basis, for example, to the public to get from them their direct response about our service. However, we do from time to time, and, again, on an ad hoc basis, have district managers speak to members of the public who have been in the office who have been served, as they are leaving the office, to ask them how the service was.

Chairman HEINZ. Two questions. One, first, you say that the mission of Social Security is no longer to improve service, just to maintain it. That is your goal, is that right, status quo?

As Ronald Reagan says, "The dictionary definition of status quo is a mess."

Mr. DOGGETTE. Let me say, our goal has always been to improve service in the Social Security Administration. That has been a longstanding commitment.

Chairman HEINZ. But a moment ago that is not what you said.

Mr. DOGGETTE. Let me explain what I meant. I will try to explain it. When you say by closing an office, how do you improve service? I can answer that question. However, the answer may be debatable. However, the answer I would give——

Chairman HEINZ. Is that you maintain the service. That is what you said before. How would you change it?

Mr. DOGGETTE. I guess I did not make myself clear when I answered that. The answer I would give on how we would improve service is that when you have several facilities which are not fully utilized, if you consolidate, there is some economy of scale. If you consolidate your technicians, you can change this into a more efficient operation. They can, in fact, process the work faster, and that was the context in which the word "improved" was used in the correspondence.

Chairman HEINZ. Are you going to be able to make any improvements as a result of consolidating the Hill District office function with the downtown office?

Mr. DOGGETTE. I would certainly hope that there would be a lot of improvements. However, I would stress, Senator, that we intend to watch the service here very closely, the 2 days a week part-time office I am leaving here. I have been very impressed by the comments already here this morning, and I will assure your audience here this morning that I certainly will watch the Hill District and see if the service level here ought to be notified in any way. Over the next year, we will certainly be communicating those findings.

Chairman HEINZ. I understand that, but what improvements in service are expected to result from the consolidation?

Mr. DOGGETTE. Well, I would anticipate that we would be able to show a faster record on moving the work that comes out of this entire Pittsburgh area.

Chairman HEINZ. That will show up how? How will beneficiaries note the difference? What will be different to them?

Mr. DOGGETTE. It will be a marginal difference to people filing claims. I would hope the payments would be processed faster.

Chairman HEINZ. What is the average time of the payment now, and what kind of improvement can we look for?

Mr. DOGGETTE. I would have to look to the people in the local area for the local numbers. The average processing time for a retirement and survivor claim nationally right now is 22 days. Locally, from October 1984 through July 1985, the average processing time for a retirement or survivors insurance claim in the greater Pittsburgh area was virtually identical to the national average of 22 days.

Chairman HEINZ. What would you like to see the improvement to?

Mr. DOGGETTE. I would hope to see it, certainly, maintained at the national average level, and, again, I apologize that I cannot give you the Pittsburgh office numbers.

Chairman HEINZ. But does Social Security nationally have a policy of trying to improve the rapidity of payment to the client?

Mr. DOGGETTE. Absolutely, we are constantly trying to improve.

Chairman HEINZ. What goals do you have?

Mr. DOGGETTE. Well, I hesitate to say this because it may sound a little strange, but we started out and still say we think we ought to be able to pay a claim at the average time of 30 days. So what we are doing right now is emphasizing the quality of that product, and we have been telling our technicians, our field offices, our management staff to try to continue to improve the processing time, the speed of payment, but make sure you emphasize the quality. Let's make sure you get the right payment to the right person at the right time.

Chairman HEINZ. Let me tell you what I understood you to say. You said we are trying to improve the speed with which we process things. Fine. What is your speed now? It is 22 days?

Mr. DOGGETTE. Nationally.

Chairman HEINZ. You want to improve that nationally?

Mr. DOGGETTE. Yes.

Chairman HEINZ. That is how I interpreted it, because you said 30 days is our goal. We are at 22 days, and then in response to my probing, not quite understanding where your answers have been leading, you said, well, what we are trying to do is improve accuracy, that is, really quality. So now I am going to have to ask you a lot of questions about accuracy. I do not really understand what your service parameters are. The Social Security Administration's policy is to do things effectively, efficiently, and with good service to people. I do not understand what parameters of service you are using, other than turnaround time on payment to claims, which is a perfectly good one. I am delighted you have it. I am delighted it is 22 days.

Why shouldn't it be 10 days?

Mr. DOGGETTE. We believe that 22 days is an acceptable time to process a claim. However, we would never go on record saying we are not trying to improve that, because the quicker we can get the payment to the person, the better for everyone concerned. So even though we have a desire to always improve the work we do and the time it takes to do it, I think we also have to balance that with an effort to make sure we do it right and not do it faster than is

needed to do it right and not do it faster than is needed do it correctly.

Chairman HEINZ. Where does convenience to the public in terms of accessing a Social Security office come in?

Mr. DOGGETTE. In our office reviews, as we look at the facilities, one of the things that we intend to look at—and we have it spelled out in our guidelines—is how far away the office is from the residents in the community, how long it takes to reach each office, the availability of public transportation, whether most come by private vehicle or public transportation, and the accessibility of telephone service, toll free service. So it is in our review methodology.

Senator, might I clear up one other item with your permission?

Chairman HEINZ. Yes.

Mr. DOGGETTE. That is the priority list that you mentioned earlier. Social Security has never developed a priority list of officers by name. Those lists have been developed by others based on information they gleaned from Social Security issuances. What we have decided to do in Social Security—and this is one of the changes from our original publication—was spelled out in my memorandum of August 15. What we have decided to do is to take another look at the priority that we establish in reviewing offices across the country, and I have asked Regional Commissioners, Rose Lepore being 1 of 10, to take a look at that and to establish a priority which makes the most sense.

Chairman HEINZ. As we discussed earlier, several of this year's office closings were based in part on the movement of population out of the area the office serves, and, presumably, the population that moved someplace else, since the population in the United States is getting larger, not smaller. Yet none of the proposals I have seen suggest that what you ought to do is move the office; rather than consolidate the office, move the office to accommodate the people who have moved to someplace else. They did not move to downtown Pittsburgh. That, we know. Instead, what we are doing is consolidating the office downtown.

Is Social Security no longer committed to placing offices where there are large concentrations of low income or other persons who are likely to need their services, or is there some other reason?

Mr. DOGGETTE. We are still committed to that. Let me say, Senator, that from a national perspective, we are, in fact, doing that. We have realigned several areas in different parts of the country because of population shifts. We have moved offices. We have increased the size of offices as population has shifted. We have opened new offices in areas where the population had centered and where our workloads have moved during the last several years.

Chairman HEINZ. So you will continue to locate where the population is?

Mr. DOGGETTE. It is defintely our intent to move, relocate, consolidate in a reasonable way to maintain the visible relationship with the workload and with the public.

Chairman HEINZ. Now, seven of the offices you are closing this year nationally—including the Hill District office—were opened in the late 1960's and early 1970's to serve low income and minority populations. To quote from a recent article in the Social Security Bulletin: ". . . certain offices, designated as metropolitan branch

offices, were established in metropolitan areas where, studies indicated, socially and economically disadvantaged residents were not making full use of existing services."

Are SSA's decisions to close those seven offices based on more recent studies in each instance that indicated residents are now willing or able to fully use services located downtown, or has SSA changed its policy on outreach to those low income and minority neighborhoods?

Mr. DOGGETTE. Let me stress that SSA has not changed its policy. Each of those decisions was predicated on information that was developed recently based on what has been happening in those communities.

Chairman HEINZ. Demographic information?

Mr. DOGGETTE. Demographic information as well as the other categories in the administrative directives that you referred to earlier. Prior to the development of the service delivery methodology, we had an instruction in place. We called it an ADS, an administrative directive systems issuance, which laid out the criteria for looking at field offices, and, in fact, the methodology that we have now introduced updates and expands that prior instruction. Since these decisions were made prior to the issuance of our current methods, they were made under the existing instructions that were in place at that time.

Chairman HEINZ. Well, what is the cutoff point for a socially and economically disadvantaged population? At what point does Social Security close the office?

Mr. DOGGETTE. I think we have to look at a number of factors, and I think the issue that you discussed earlier with Mrs. Lepore would be one. Back in 1983, when Rose Lepore came and said we have got to keep that office open, I think the balancing factor, the most heavily weighted factor, in that case was Social Security's policy, not the other factors of workload, cost, et cetera, and we agreed with that.

Chairman HEINZ. What, as a rule of thumb, now is the cutoff point?

Mr. DOGGETTE. I am not sure that I can say there is a cutoff point or I can give you one or define one.

Chairman HEINZ. What would be the justification for keeping an office that had a caseload of 4,000 open and closing an office that had a caseload of 6,000, or 8,000, or 10,000?

Mr. DOGGETTE. I guess we will look at the factors in our review guide. We look at how many people come into the office, how much work is actually generated, how many employees we have onsite, what it costs us to run that facility, and whether we can still make it cost effective.

Chairman HEINZ. Sure, but all those costs are related, ultimately, to caseload. So there are going to be rules of thumb. They will not be definitive because they are an office that is serving 4,000 people for the same cost or half the cost, as the case may be, as an office that serves 8,000. That will be the rare office, however.

You are telling me that you do not have any rule of thumb as to when your caseload gets down to a certain point that the office at least ought to be looked at?

Mr. DOGGETTE. We do have guidelines in the instructions that we have out that say when caseloads hit a certain point——

Chairman HEINZ. Do you know where those points are?

Mr. DOGGETTE. For example, the claim receipts?

Mrs. LEPORE. I think, Senator, it is 35 a week, 35 claims a week is what you really need for a basic full-time facility, at least to the best of my recollection.

Chairman HEINZ. As I understand it, were you to fully close this office—which you are not doing, you have people coming up here twice a week—one of the rationales for consolidation would be that a good deal of the service provided by a field office can be provided by phone; is that right?

Mr. DOGGETTE. Yes.

Chairman HEINZ. I am told that you say that you can provide 80 to 90 percent of your service on the phone.

Mr. DOGGETTE. That is a reasonable statement, within the range.

Chairman HEINZ. This committee has gotten complaints regarding the ability of SSA to provide quality service by telephone, and they prompted us to do a little informal survey of our own and here is what our survey found. We found 50 percent of the numbers called at the beginning of the month were busy and took an average of 4.4 calls to complete, 75 percent of completed calls at the beginning of the month—this is 2 weeks at the beginning of the month—were put on hold with an average wait of 4½ minutes; 40 percent of the questions asked received either wrong or misleading answers.

Is that OK?

Mr. DOGGETTE. No; that is not OK. That is certainly not consistent with my reviews.

Chairman HEINZ. You have got a problem, because these are the facts.

Mr. DOGGETTE. I would be very interested in getting more facts.

Chairman HEINZ. The details are sitting right behind me.

Mr. DOGGETTE. We will pursue that. I think the problem with our telephone service during the first of the month is exacerbated because that is when benefits are paid; and we pay benefits to some 36 million beneficiaries. For various reasons, people call us—because they have not received their check timely, or because they have questions about it. Our most busy time is the first part of the month.

On the average, as I recall, our busy signals are about 4 percent. In terms of telephone calls that we do get, again, on a national average, as I indicated, we get some 20 million calls, and we do answer virtually all of those calls. Now, we have no way of knowing how many times a person calls when it is the same person calling more than once, but our nonanswer rate, the calls where people get through to us and hang up before we get to answer their question, runs less than 10 percent. So we are, in fact, talking to 90-plus percent of the people who call us and get through to us.

Chairman HEINZ. Yes. You know, the telephone company can run much more sophisticated surveys for you. They can tell you with great specificity what is really happening.

Mr. DOGGETTE. We are replacing, with the breakup of AT&T, all our telephone service with a new type, with the prototype in Fort

Lauderdale, FL. We are trying to acquire very sophisticated equipment which will give us much more information than we get from our current equipment.

Chairman HEINZ. I think what this tells me is you do not know if you have a problem because you do not have information that tells you whether you have got a problem with your phone system or not by your own admission just a minute ago.

You know, our survey shows that even if you do get through, you have got a 2 in 5 chance of getting the wrong information. Now, that is not your definition of good service, I know that.

Mr. DOGGETTE. Certainly not.

Chairman HEINZ. But the problem it creates for your office closings is if you intend to do a lot of your work by phone, you are going to create some serious service problems as your close these offices, whether it is the Hill office or all these others offices I mentioned or all the other nationwide. I do not think the commitment—and I understand you have had some discussions with Ways and Means as well—is sold on the fact that you are really prepared to maintain the level of service that you say you are prepared to maintain.

Let me move onto another issue. The Social Security Administration plan submitted last December for staff reduction proposed eliminating 2,000 staff positions by 1990 from the closure of 100 to 200 field offices. This was in addition to a proposed reduction of over 5,000 positions from the installation of new computers.

I understand a recent memo from you to the regional commissioners indicates that the 2,000 staff cut was no longer linked to field office closings, but that it was still a part of the overall total staff cut projected by 1990 of some 17,000 staff positions.

Now, my question is this: If you are going to eliminate all of these people through the installation of new computers—and that is factored in there—where are you going to find the 2,000 staff to cut the previously associated field office closings?

Mr. DOGGETTE. First, let me explain why I wrote that memo. I was authorized, as I indicated, to maintain a high level of public service, and we did not think that we could start out by saying that our goal was to reduce the number of people there. In fact, if our reviews indicate the need for the number of people there, it is our intent to leave them there.

Chairman HEINZ. I understand why you backed off from linking the cut of 2,000 people with the closing of field offices. You have no data to support, to analyze, to justify, to measure existing service in field offices, let alone to prove that you are going to be able to maintain or improve the service provided as a result of closing the field offices and consolidating them with central offices in downtown areas. If I were in the same position you were in, I suppose I would be attempting to do exactly the same thing, because you have no information on quality of service, and the Social Security Administration is flying blind in that area.

I understand why you did it, but where are you going to get the 2,000 people?

Mr. DOGGETTE. For the reasons I mentioned earlier, I think I would take strong exception to the view that we are flying blind. But in terms of the 2,000 people, they will have to be a part of the

plan that is developed, in a general sense. Where they will come from at this point, I cannot tell you. I think we have to work our way through that process year by year and see what we can do to try to achieve those targets that have been given to us.

Chairman HEINZ. Do you maintain that you can get those 2,000 jobs eliminated without closing a lot of field offices?

Mr. DOGGETTE. At this point I am not in a position to take a position on that.

Chairman HEINZ. I would think not. I do not see any possible way that you can eliminate those 2,000 positions without closing a lot of field offices.

Mr. DOGGETTE. Well, we are strongly committed to not looking for those savings by closing field offices.

Chairman HEINZ. I do not understand how you can have a plan to save 2,000 positions without having a plan to implement that plan.

Mr. DOGGETTE. Let me say that when that original plan was developed, it was developed in a very short time and very hastily. It has since been reviewed and is still being reviewed, and as we look at it more closely, we are refining it, and that is one of the reasons that we have arrived at this conclusion and will probably arrive at other conclusions with respect to that plan.

Chairman HEINZ. The conclusion to be arrived at was to walk off from the linkage of closing the field offices, but that is a technical conclusion. That is not a substantive one. That is a political way of handling what could be a nasty problem.

When are you going to have either a justification for that 2,000 and a plan for achieving it? I mean, there is no enterprise in the world that says, you know, we are going to save 2,000 jobs and we don't know how we are going to do it.

Mr. DOGGETTE. The Acting Commissioner of Social Security has appointed a committee to develop that plan, and it is comprised of the Commissioner and her Deputy Commissioners, and we are in the process of refining that plan. I do not have a time or a date when that will be available. Hopefully, it will be shortly. Some time during this calendar year, we should have it pretty well laid out.

Chairman HEINZ. Does some of the pressure for this cost cutting and staff reduction come from the Office of Management and Budget?

Mr. DOGGETTE. I do not deal directly with the Office of Management and Budget, but at my level in the organization, as Deputy Commissioner for Operations, I have had no pressure, and I am responsible for the field organization of SSA. I have had no pressure placed on me to reduce the level of service, the number of offices or the number of people in the offices by any of the executive branch of the Government nor by any reaction from the Grace Commission report.

Chairman HEINZ. Do you have any reason to believe that OMB has taken a great interest in this, even if they have not contacted you?

Mr. DOGGETTE. I imagine there is a great deal of interest in this entire area.

Chairman HEINZ. OMB?

Mr. DOGGETTE. Yes; I would expect there is.

Chairman HEINZ. And I assume there are a few of their memos floating around.

Mr. DOGGETTE. I expect they have an interest, a great interest in this.

Chairman HEINZ. Well, it seems to me that one fast conclusion we can arrive at is that the sooner we get Social Security out of the unified Federal budget, the better it will be for everybody, because then we will not be making irrational decisions regarding Social Security beneficiaries, whether it has to do with service or whether it has to do with payment levels.

One of the things that I am going to be doing this month, if the Lord gives me the strength and ability to do it, is to use the vehicle of the debt ceiling to require that Social Security be taken and treated separately from the unified Federal budget, which it used to be up until 1969, until Lyndon Johnson threw it in to help obscure the cost of the Vietnam war. Social Security in most years runs a small to moderate profit.

In our review of the procedures for closing the 14 field offices this year we found that there is not exactly a uniform procedure for involving community groups and members of the community or notifying Members of Congress. There is one instance where community groups and Members of Congress were involved before the fact in a careful study of any decision. In the case of the Hill District and in the case of East Chicago, Members of Congress found out later. In 13 of the 14 cases, Members of Congress and others found out later.

The closing of a Portland, OR, field office is one exception. It is a very interesting case, because the Social Security Administration got its way, and it did so with community support. I am wondering if Social Security feels that the Portland way is the better way, or whether the case of the other 13 is going to constitute future policy.

Mr. DOGGETTE. I would have to say, Senator, that Social Security has—at least we operations managers—have never been as politically astute as probably some others, and we have learned a lot during the last year and a half with respect to the impact of service delivery and the need to consult and deal with and talk with the community and with the congressional delegation regarding our activities. In fact, in my August 15 memorandum, I tried to lay out a methodology to make certain we are sensitive to that, and we do intend to deal with minority groups and make certain that we keep the congressional delegations informed as we move forward in trying to arrive at these decisions.

Chairman HEINZ. As I understand that methodology, what you are doing is getting a recommendation from your regional commissioner, but before that is put into effect, it is sent to Baltimore for one last review.

Mr. DOGGETTE. For discussion and determining how we need to go. There is no question about most of those offices being needed. We think we can, in some cases, look at the facility and decide that it needs to stay where it is, as it is; and in those situations, we see no reason to stir up a lot of concern or community activity. If we

think there is a possibility, then we certainly will move out to have consultation and discussion.

Chairman HEINZ. If we were to roll the clock back about 365 days and to go through the Hill District situation all over again, how would you all do it differently?

Mr. DOGGETTE. I think I will let our regional commissioner who has responsibility for that respond.

Chairman HEINZ. You know what the second question is going to be.

Mrs. LEPORE. Why don't you do it now?

Chairman HEINZ. Why did you not do it that way the first time? That is going to be the second question.

Mrs. LEPORE. I think Mr. Doggette has indicated we have already learned. I think if we were to roll the clock back 365 days, we would probably come out and meet with the community and your staff and talk about it. Let me assure you, though, that we have had a change in our process. The Hill residence station was reviewed on an ongoing basis, as all of our reviews were done all along.

I was asked the other day by a reporter, when did you do your last review? The reviews we were doing were being done every day of the year, practically, at different locations. Under the former process, which is one where a lease was about to be renewed, you had to make a decision whether the office should or should not continue. The process at that time was to notify—not consult—but to notify the elected officials and community that you were making a change.

I think that we have learned that you do not notify, you consult.

Chairman HEINZ. Was not consultation the policy up until 3 or 4 years ago?

Mrs. LEPORE. Not that I know of, Senator, no. It was always a question of just notifying. That is what we have done.

Chairman HEINZ. It is my understanding that the ability of the regional commissioners to close offices unilaterally is a relatively new policy, and before that time, those decisions had to be taken and—because it was a stone's throw for a Member of Congress, and that Baltimore did, in fact, consult with Members of Congress.

Mr. DOGGETTE. For the most part, prior to this recent change in delegation, the decisions were made in Baltimore, and I guess that I would have to say that those officials—and I was not always involved—did as they felt appropriate. They had some arrangements with certain Members who expressed a strong interest, and they tried to meet those commitments. There were other cases where there was no communication.

Chairman HEINZ. Where the Member was relatively indifferent?

Mr. DOGGETTE. There has not always been the same attention paid to SSA moving or consolidating or sizing an office as there is now.

Chairman HEINZ. You encouraged us to become interested.

Mr. DOGGETTE. And we are happy you are. I say that very sincerely. That was not facetious, because I think it is important.

Chairman HEINZ. Bring out the polygraph.

Mr. DOGGETTE. I think that this hearing today has had a tremendous impact on me, and I am very glad I came.

Chairman HEINZ. It is the last time you will come to Pittsburgh.

Mr. DOGGETTE. I have been here before, and I intend to return.

Chairman HEINZ. It is, as I hope the score of the football game indicates, not only the most livable city, but by a very wide range, 45 to 3.

Mr. DOGGETTE. Let me say, the Colts no longer play for Baltimore.

Chairman HEINZ. They could not stand it, either. We have to be careful, because we are a little vulnerable in the baseball area.

I think that completes all the questions I will ask. We may pick up a few others. Let me just say that I am very pleased that you came here, and I know it is exceptional, and I hope and trust that, indeed, it has been as beneficial to you as it has been to me and as valuable to my constituents.

I must say I am sincerely troubled by the lack of objective client oriented measures of quality available to you and to the Social Security Administration generally. What you have with respect to telephones is inadequate. Your standards for measuring quality of service appear to be based on strictly internal measurements of efficiency, and one or two of those may be valid. Certainly turnaround time on payment application is a perfectly valid one, but not the only one, as these people here have pointed out and which I suspect you were aware of all along.

It is my hope that both the Finance Committee, on which I serve, and the Aging Committee, which I chair, will develop a methodology for measuring quality of service that will be helpful to you as well as reassuring to the people who really do depend on the Social Security Administration as a literal lifeline for their survival.

Often, we fail to realize that moving from one community to another, if you are old or confused or physically or mentally disabled can be like a journey to another planet. I hope that particularly when you look at your policy of serving disadvantaged areas you will bear that acutely in mind. It is a very serious problem, and it is not reflected simply by the number of cases that you have. The quality of the situation involving those people varies whether you have 50 people on Social Security or SSI disability, who have some kind of physical disability that has prevented them from working, but are intellectually capable of handling the challenge of the telephone or getting downtown, or you have a high percentage of Social Security or SSI disability recipients in an area where there is a very high proportion of mental impairments because there is a mental hospital nearby. These situations may look exactly the same on the printout, but they are vastly different, as I suspect you learned today.

For all those reasons, I do thank you for being present, and we do look forward to working with you.

Our last panel consists of Kris Kramer, president of local 3231, AFGE, and Tom Wachter, vice president of AFGE, Council 220.

Well, Kris, would you please proceed and please identify that handsome lady in the red shirt.

Ms. KRAMER. I planned on doing that the first thing. I want to introduce you to Jill Hastings, from the National Council. It represents almost 40,000 Social Security field office employees, and Jill is here today for a very specific reason. Jill is also my first vice

president in local 3231. We are the unit that represents Social Security workers specifically here.

Chairman HEINZ. And Harvey Schwartz needs no introduction.

Ms. KRAMER. No, I don't think he does. I am going to try to keep Harvey quiet, by the way.

Chairman HEINZ. Good luck.

STATEMENT OF KRIS KRAMER, AMBRIDGE, PA, PRESIDENT, AFGE LOCAL 3231

Ms. KRAMER. Before I go into my prepared statement, would you please allow me to make a few comments, because from what I have heard here, I think we need to just get things a little bit more accurately set.

Chairman HEINZ. Go to it.

Ms. KRAMER. First of all, the Social Security Administration delivers a quality work product. We do a good job with the people and the tools we have to work with.

I am one of those people. I sit across the desk from blind and disabled and aged individuals when they want and need SSI, and our Administration does a good job. However, there are places where we can improve, but just because we mean we can improve, it does not mean that we are not doing a good job, first of all.

Second, the real point is what your impression or what your opinion of improvement is, and there, I am sorry to say, that sometimes AFGE does not see eye to eye with the Administration, and that is why we are here. We need to make sure that we don't go backward. We do have a quality product, and we want to keep it that way.

You have to understand that we cannot do an absolutely perfect job in the complex program area. You are not talking about something where you go in an office and sign your name on a piece of paper. This is a complex program. We cannot do a perfect job with that program, you know, over the telephone in 2 minutes. We have people to do a good job. We intend on doing a good job, but we also need to make sure that we are continued to be guided in the proper direction by what we consider to be the proper parameters.

Chairman HEINZ. How many feet long are the manuals if you lined them up, as I did in a hearing in Washington, DC, about 3 years ago? Roughly how many feet long would all the manuals having to do with Social Security come to?

As I recollect, when we measured it, it would be 15 feet.

Ms. KRAMER. Could it be twice this table?

Chairman HEINZ. At least, and, second, as I recollect, you are getting change notices such that it requires about one person filing them full time last time I looked; is that right?

Ms. KRAMER. There are quite a few changes, I must admit. I cannot speak to whether it would require one person full time. We try to break it down so one person is not doing it full time.

Chairman HEINZ. I understand.

Ms. KRAMER. I would say double this table would be the manual size, and that does point out the complexity. You also have to understand, too—I don't mean to question the accuracy of your survey, but I do want to point out when you telephone our adminis-

tration, you are talking to very competent service representatives. However, service representatives in our organization are not trained to do things the claims representatives are trained to do.

For example, training is very detailed. It has taken me years to become the worker I am, and I am proud of that. But what I am saying is just because you call up on the telephone and ask the question, the particular person currently assigned to answer that will do the best he can with the limited facilities he has, but not all complex questions can be dealt with adequately over the telephone.

Chairman HEINZ. That is entirely clear, and that is part of the problem that we are trying to get Social Security to understand.

Ms. KRAMER. Well, I want you to recognize that because I feel the telephone service center people do a good job.

Chairman HEINZ. You got it backward. We wanted them to recognize that.

Ms. KRAMER. OK, sorry.

Chairman HEINZ. We want them to recognize that. I understand your feelings, but do not read into the survey the wrong message. The message is not that people are incompetent. The message is that there is a complex job that has to be done, and you cannot do it over the phone.

Ms. KRAMER. Thank you.

Chairman HEINZ. Thank you. Now, as you were saying.

Ms. KRAMER. What I was going to say is the purpose of my testimony is to bring to your attention the manner in which Social Security has acted with regard to office closings to date. I feel that your attention may result in needed changes, and absent your attention, the union fears there will be a continuation of targeting offices for closings based solely on size, really, without regard to the impact on the community, without input from the community leaders and also to cloak its actions in secrecy.

I hope—and I have been encouraged from what I have heard today—that that will change, but I sincerely believe that your attention has helped that and you will continue in your attention.

I only want to address three things today, because you have heard a lot of information on the impact of the closing of the Hill office, but I want to emphasize the three things which I feel are most important for you to know.

First of all, I think we need to not necessarily permit Social Security officials to draw lines of demarcation based solely on office size, that you have a size or number of staff or you have a line number of cases per week. That may be a fine jumping off point or a good place to start, but that cannot be the end all. You cannot simply chop off offices that have fewer than 15 employees in them.

I think that subsequent revision of the recommendation which originally came from central down to do that very thing, when that was subsequently revised, it came as an afterthought. It was revised to have people consider factors other than size, but it came as an afterthought, and I am not sure it carried the real importance that it should have.

Obviously, the case in point is the Hill District office, and you, yourself, have pointed out that when the Hill was opened originally in 1969, that was when the Federal Government had come to realize the very importance of integrating Government facilities into

urban areas where there were large minorities or underprivileged population.

Chairman HEINZ. Kris, let me just back you up 1 second. You are talking about a revised directive. Which revision are you talking about, the August 15?

Ms. KRAMER. I am not privy to the exact date on that. My understanding is that the policy regarding the simple chop at the 15 demarcation line has been revised, that the Commissioners are to look at other factors. However, I don't know the specific date of that.

Chairman HEINZ. Thank you, we will get it.

Ms. KRAMER. As you also pointed out—and I agree with you—the Hill District still has the high concentration of people with low income and low education and low literacy rates. Although there may have been some degree of population shift, although I don't know that to be the fact, I maintain that the factors that brought the Hill District office into being to begin with have not changed substantially. Even though its status has been reduced from a branch office to a resident station, and that was effective January 1, 1984, there has been a bigger change than that, and you can see it in two things; the number of staffing allocations and the actual workload.

Originally, it started out with 21, and it was chopped to 10 one time and then it was 6. As far as the workload goes, the workload has decreased, but I simply want to point out one of the reasons that the workload has been decreased that has not been mentioned heretofore, and that is simply that management switched it. Shortly after January 1984, when the status was reduced from a branch office to resident station, there was a transfer of work, and all the initial claims were switched downtown. So, obviously, if you take the workload away, the number of claims you get per week are going to be reduced.

Additionally, no one has pointed out that it is Social Security that draws the service area, anyway. The Hill District, at least when it was an office that existed, serviced a ZIP Code, but there are lots of offices that service more than one ZIP Code, and I venture to say if you look closely at the geographic area of this, the Hill District could certainly service more than one. So we have to look deeper than just, well, we didn't get 35 claims a week.

Chairman HEINZ. A very well-taken point, and we are going to follow up on that.

Ms. KRAMER. If you are going to put the staff down and put the workload down and say we don't have workload and staff in this location, it is a circle.

Chairman HEINZ. Message received and fully understood.

Ms. KRAMER. Thank you. The second one we will see if you perceive and understand is that Social Security officials should not be permitted to play what I will call a shell game with office closings, and that is what officials at the central office level have now, as you know, delegated responsibility down to the regional level, but that does not allow the officials at the national level to pretend that they don't know what is going on. They still have a responsibility with regard to office closings. Also, the flip side of that is the

people at the regional levels can't simply say, oh, we are doing what we are told. Do you understand that?

Chairman HEINZ. Yes; one of the things that has happened is that now both sides are going to be aware as a result of the August 15 directive no office can be closed without Baltimore knowing about it. So nobody now will be able to point the finger at the other person and say, oh, I didn't know anything about it.

Ms. KRAMER. I truly think that is a step in the right direction. The last thing I want to bring to your attention is that Social Security officials cannot act unilaterally and in secret. You should not take all the actions required to physically close an office simultaneously while you are telling the public and office that no closing is planned. If for whatever reason Social Security feels it can do a better job by closing an office—I don't agree with that—but just on the premise that that is borne out in fact, I think we need to say that. If you are planning to close an office, say you are planning to close an office.

I am going to give you a case in point, which is Bridgeport, OH. I had in my possession the documents requesting and approving the closing of the Bridgeport office at the very time a high-ranking management official stood in the office of Representative Applegate telling him that Bridgeport was not being closed. At the same time a local official went on local television denying a report of Bridgeport's closing. The decision was signed, sealed, and delivered, yet denied. We cannot continue that way.

Chairman HEINZ. You are so right, and if there is one message above all, Kris, that I think was registered here today with the Social Security Administration, the reason that we said in no uncertain terms that we did want the head of operations to come up from Baltimore is that in order to get the attention of people, if necessary, we will call people out to go anyplace all over the country until they understand that it is better to consult with us ahead of time than after the fact.

Ms. KRAMER. OK, I am encouraged by that. Also, I feel that our administration owes the public personalized service delivered through a network of easily accessible and conveniently located clean and comfortable offices. I think we owe that to them. In a large measure, we do the best we can. It may not be a perfect job, but we do do that.

Chairman HEINZ. But you are most unusual if you are doing a perfect job, including me.

Ms. KRAMER. Before we unravel any more of the network we have in place, we need to decide and we need to act in a more forthright manner conscious of community needs and community concerns. If I leave you with anything today, I hope I leave you with that.

Chairman HEINZ. Now, you said that you have Miss Hastings here for a special purpose.

Ms. KRAMER. Yes; there are certain consequences which you have heard about from the closing of the Hill office from the resident point of view, and they are all extremely valid and very well made by your community leaders. We are not going to repeat those, because we feel you have picked up on those, but there are also a few points that we want you to at least consider, and that is

the impact of the closing on the staff people, because the basic line, in my opinion, of quality of service is not the quality that the people at the top talk about, but the quality that the people at the bottom, like myself, can put out, and that in a large part is determined by the time we have to do it and the facilities with which we have to work. So I know you are busy, but I would like you to just take into consideration a couple of points along those lines.

[The prepared statement of Ms. Kramer follows:]

PREPARED STATEMENT OF KRIS KRAMER

The purpose of my testimony is to bring to your attention the manner in which the Social Security Administration has acted with regard to office closings to date. Your attention may result in needed changes. Absent your attention, the Union fears that SSA will continue to target offices for closings based solely on size, without regard for the impact on the community, without input from community leaders, and to cloak its actions in secrecy. Past actions on SSA's part should not be permitted repetition.

Specifically: (1) Social Security officials should not be permitted to draw lines of demarcation based solely on office size closing all offices which fall under the reasonless cutoff line. Such an unacceptable method was the exact method recommended by top level officials when they directed all offices with fewer than 15 employees be closed. The subsequent revision of that recommendation to include consideration of other factors came as an afterthought with no real importance. Putting offices onto the chopping block solely because of size fails to take into consideration the impact of pulling a stable and necessary service out of a commun.'y. A case in point is the Hill District Office. The Hill Office was opened on October 1, 1969 when the federal government came to realize the importance of integrating government facilities into urban areas when there were large minority or underprivileged populations. Without doubt, the Hill District had and still has a high concentration of people with low income, low education and low literacy rates. Staffing allocations for the Hill office were cut from the original 21 employees to 10 employees to 6 employees. Its status was reduced from a branch office to a resident station effective January 1, 1984. Shortly thereafter responsibility for numerous SSA and SSI workload items was transferred to the Downtown office. The obvious result of the transfer of workload items was a lower statistical count. The reduction in staff led to the reduction in responsibility for workload items. Not less work mind you, but a shifting of it from the neighborhood office to the Downtown office. The reduced statistical count provided a shallow excuse for closing an office with "only" six employees. With no office in their neighborhood, Hill residents must travel downtown to conduct their SSA and SSI business. For most of us, an inner city trip would not cause problems because we have private means of transportation or at least have extra money for public transportation. Such is not the case for many Hill residents. Additionally, the Hill office closing has also put SSA into the same category with posh boutiques and famous name factories which refuse to locate their businesses in the minority neighborhood. The message this sends to the residents of the Hill is obvious.

(2) Social Security officials should not be permitted to play the shell game with office closings. Officials at the central office level have delegated responsibility for the review process to officials at the regional level. The national officials then disavow knowledge of which offices are being closed while the regional officials respond to inquiries on closings with a "We have to do what we are told" line.

(3) Social Security officials should not be permitted to initiate and complete all actions required to physically close an office while simultaneously telling the public and the Congressional representative that no closing is planned. A case in point here is the Bridgeport, Ohio office. I had in my possession the documents requesting and approving the closing of the Bridgeport office at the very time a high ranking management official stood in the office of Representative Applegate telling him that Bridgeport was not being closed, and while a local official went on local television denying reports of Bridgeport's closing. The decision was signed, sealed, and delivered, yet denied. Such actions have no place in SSA dealings.

The Social Security Administration owes the public personalized service delivered through a network of easily accessible, conveniently located field offices. Before any more of this network is unraveled, let us decide to act in a forthright manner conscious of community needs and concerns.

STATEMENT OF JILL HASTINGS, AMBRIDGE, PA, AFGE NATIONAL COUNCIL AND FIRST VICE PRESIDENT, LOCAL 3231

Ms. HASTINGS. Before I get to the actual specifics, I would like to address some of the points that Mr. Doggette made about the criteria for the closing of offices. He mentioned several, and I would like to take exception to those.

He said that one of the main criteria for closing an office would be to look at the workloads, and, apparently, the workloads in the Hill District were looked at and the workloads, according to Miss Lepore, had not materialized.

I would like to point out that while there are at least 36 million checks going out every month to SSI recipients in the United States, new claims are not our main workloads. In most of the district offices, the employees that I represent take only a portion of their workload as new claims. In most offices—and the national statistic, I believe, is 40 percent—is new claims and postentitlement work. After someone has already been receiving benefits, they have a problem, they have a change. They have to come into the Social Security office and discuss something with an interviewer or call in over the phone to make a change. So that using the criteria of how many new claims you have in an office as a criteria in an aging population is not a good criteria and does not work. We have people with problems, and they need to fix them. They already are getting their checks.

Chairman HEINZ. That is one of the points I was trying to make with the Regional Commissioner and Deputy Commissioner.

Ms. HASTINGS. The people in the office know real well, because they are not sitting there taking new claims all the time.

The health, disability, age, education, and socioeconomic status of the recipient is also a factor that is certainly critical. A lot of times the people that come into our office and talk to our workers don't know what they need when they come in there. They just know something is wrong, and it takes a trained person asking specific questions to find out what is wrong. You can't always do that over the phone. Sometimes it is difficult in person.

In addition, while we are discussing workloads, how you measure the workload itself is not under consideration which Mr. Doggette and Mrs. Lepore cannot adequately address, I feel. The Social Security Administration has long been in the business of emphasizing statistics over service, and it has been more so in the past few years because it is something the manager can look at and say, look, I passed out 30,000 widgets this week.

At any rate, we have a complicated system of recordkeeping that measures workload in the office. However, there are a lot of items of workload that our employees are required to do that are necessary to do in order to get people service that are not measured on a piece of paper anywhere. A primary example of that is the type of investigation we have to do when a person is denied benefits and has a hearing, for example. It takes a long time to make sure they get the proper payments, proper back payments, that they get the right check, we have the proper information. There is no place in that workload system that measures that sort of thing.

Somebody mentioned redeterminations, that a person on SSI only gets their claim redetermined once a year. That may be true; however, if you are a person that works on SSI, if you are in a sheltered workshop or something, you have to report your wages every single month in order to get paid properly, and you need to produce proof of that, a wage stub for example.

If a child is on SSI and receives benefits, the income of the parents has to be considered. So you have to verify the wages of the parents, and that has to be done more often than once a year or it causes overpayments.

We are looking at a lot of work that the employees do in the office that just is not measured. We are looking at a lot of visits to the office that are not measured. So how you measure the workload makes a great deal of difference as to determining how much work there is.

I don't believe our workload has gone down at all. It has increased. We have a situation of employees who are denied leave because there is too much work to do. In the telephone service, we have a lady who has a problem getting to her own wedding because her manager will not let her out. That is crazy. If we have so many extra employees—I really don't believe we do. If we do, I don't understand why our employees can't get their earned leave when they need it.

In addition, Mr. Doggette mentioned system modernization as a solution to the problem of delivering more service with less employees. First of all, in the Hill District, the first thing they did when they decided to close the office was move the computer out. So we no longer have any way of telling the people how much they are getting, how much they are going to get or anything else. We have to go someplace else, and that is not right. In addition, that computer did not go to the Pittsburgh downtown office. It went someplace somewhere else in another State. So they don't have an extra computer to service those people.

Chairman HEINZ. What happened is there was a freeze on the purchase of those kinds of computers, and there was some other office that claimed they needed one. So they took ours and gave it to some other office.

Ms. HASTINGS. That is very nice, but it did not go to the downtown office, and the people who needed that computer don't have the use of it. So we have less people doing more work with less equipment. So I don't see that there can be any savings there.

Additionally, as of this point, the Hill District office is open 2 days a week as what we call a contact station. Mr. Doggette said he was going to look very closely at that contact station. I would like to tell you what happened to another Social Security office that merged with another office, and they opened a contact station to serve people who worked there. That was in the Bridgeport office. The district office was Wheeling, WV. Because of the fuss that the union and Congress raised about the closing of the Bridgeport office—specifically, Mr. Applegate helped us out there—a contact station was kept open for a period of 6 months. At the end of the 6 months, that contact station was closed. Mr. Applegate was not notified. The union was not notified, and the people that went to the contact station were not notified.

So I am a little hesitant about how closely Mr. Doggette is going to look at the operation of the contact station, especially when you consider that in one of the Social Security records in the period between September 1982 and December 1984, 605 contact stations were closed and the frequency of visits reduced in many others. That was in a deliberate attempt by Social Security to move the places that service those people to someplace that was basically inaccessible to them.

Now, enough about Mr. Doggette's testimony. The union and the employees we have served are very concerned about courteous, sensitive and dignified service to the public. We are also concerned about complete service to the public. When you sit across the desk from somebody that has got a problem, it effects how somebody buys their food, how they are going to live their life for the next year, few years, and our employees are not as removed from the lives of those people as the people in Baltimore are. They are concerned. They take those worries home with them.

It makes it increasingly difficult to deal with the public when we are getting the message from the supervisors, from managers, from Regional Commissioners and from other policymakers that we need to see more people faster and are going to measure everything we do with paper and statistics. That is not the way we have done this business before, and our employees are concerned about the type of service that we are able to give.

The employees in the teleservice center are especially hard hit because they are under the gun to take a lot of calls. They can't finish the calls. They can't ask exploratory questions. They don't have the time. In many cases, those offices were deliberately set up that way as assembly lines for phone calls. The employees in them are parttime. They are not full-time employees. They can't leave when they need to leave, that kind of thing.

We are increasingly under the gun as individual employees to produce what the Social Security Administration says we should produce, whether we can do it with what we have got, and it is very difficult to have to deal with the clients that we do and tell them, listen, I just can't do anything, and we can't. Our employees are concerned about that.

The statistical manipulation resorted to by the agency is a big problem, and it effects our employees as well. The redeterminations for SSI have to be done at a certain time. In one case, we had a supervisor that just cleared herself on the computer system without the required evaluation. That kind of thing effects the performance of employees, too, and it effects our dealing with the public.

Chairman HEINZ. I am not quite sure how that fits into this.

Ms. HASTINGS. If you have fewer employees doing more work, you have to cut corners somewhere. What happens is if there really is not less work, you have to make less work out of more work.

Chairman HEINZ. I understand that. I am not sure about the supervisor doing——

Ms. HASTINGS. I was thinking of a specific instance. It just came to my mind while I was talking about a supervisor in an office in Washington, DC, who felt the pressure to clear redeterminations to get out a weekly report that says you cleared a certain percentage of claims. Instead of saying to them we are not going to make it

this week, see if we can get it done next week, she just cleared them on the computer system without the required research investigation.

Chairman HEINZ. How many were involved in that?

Ms. KRAMER. We want to simply make the point that just because we are measuring workload by a specific method, that to meet that measurement does not necessarily mean that you are giving the service that is necessary. That is the point.

Chairman HEINZ. Well, that was the point I tried to make with Mr. Doggette. I said, listen, you are giving me measurement of internal efficiency, and none of them have anything to do with service.

Ms. KRAMER. Not only that, sometimes what we do to meet the pressure is not properly giving service items.

Chairman HEINZ. It may result in less service.

Ms. KRAMER. Precisely.

Ms. HASTINGS. In addition, the issue of waiting room processing times came up quite a few times. The waiting room times—for example, I have to give an example that I know of specifically in the Bridgeport, OH, office that already closed. The so-called studies that were done there said that there was a 2-minute waiting time in the Bridgeport office, and a 2-minute waiting time in the Wheeling, WV, office, and that is just not so.

One of the ways that the Administration has tried to speed up those waiting times in the Wheeling office, where all those people go now, is to have the receptionist take the people that are visiting the office right to the employee's desk as soon as the chair in front of them is empty, which causes some problems if you need bathroom time or lunch time or break time. It causes some difficulties for the person sitting there and some difficulties for the employees, definitely a difficult situation.

The processing times that we addressed——

Chairman HEINZ. Jill, I am going to have to interrupt you. We are, basically, out of time here, and I gather you have a very lengthy statement. I asked everybody to keep their statements to a time limit.

Ms. KRAMER. I think you have indicated that you understand our concerns. We hope you translate that into action.

Chairman HEINZ. I will be happy to put it all on the record so we have as a part of the record this valuable information. I have made some rather extensive notes on your testimony, and I do not, by shortening your testimony, want to give it any less value than anything else that has been said here today. Indeed, I think it has a tremendous amount of value.

It looks to me like you have a lot more to import to us, and we simply are out of time. Maybe I took too long trying to drill the Social Security Administration, but they needed it.

Ms. KRAMER. We are happy you are here and allowed us time to testify.

Ms. HASTINGS. The report is in the mail.

Chairman HEINZ. I want to say that it is a pleasure having everybody here. I want to thank you all.

[At 11:25 a.m., the hearing was concluded.]

APPENDIX

MATERIAL RELATED TO HEARING

ITEM 1

BACKGROUND PAPER

FOR A HEARING ON

THE CLOSING OF SOCIAL SECURITY FIELD OFFICES

BEFORE THE

U.S. SENATE SPECIAL COMMITTEE ON AGING

SEPTEMBER 9, 1985

PREPARED BY THE STAFF OF THE SPECIAL COMMITTEE ON AGING

54-396 148

SOCIAL SECURITY FIELD OFFICE CLOSINGS
BRIEFING PAPER

WHAT ARE FIELD OFFICES?

Social Security is the largest Federal program providing direct services to the American people. The Social Security Administration's (SSA's) principle point of contact with its 38 million beneficiaries and 115 million wageearners is through its field offices across the nation. Over 39,000 Federal workers serve the public through SSA's 640 district offices, 677 branch offices, 75 resident stations, 3,400 contact stations, and 34 teleservice centers.

Each metropolitan or rural district is served by a district office headed by a district manager. Within a district, SSA may operate one or more branch offices or resident stations to bring services closer to the claimants being served. In addition, where a permanent office may not be feasible, SSA often operates a contact station one or more days a week in a local public building to bring essential services to people who otherwise would have difficulty travelling to one of SSA's permanent offices.

SSA provides information and handles some transactions through telephone contact. In the largest metropolitan areas, SSA has established teleservice centers to handle all telephone contact with the public. In smaller areas, district offices may dedicate staff to providing telephone services.

HOW HAS SSA'S FIELD OFFICE STRUCTURE CHANGED OVER TIME?

Fifty years ago, when Social Security was first enacted, the initial decisions on locating field offices were based on 14 factors -- including the number of covered workers in the area, transportation and communication facilities, population trends, and racial and ethnic composition of the population. By 1940, SSA had opened 477 of what were then called simply "field offices".

SSA began changing their field office structure during World War II when, to conserve their resources, they converted many "field offices" to "resident offices". These "resident offices" had one or two employees, minimal records, and limited functions. Shortly after the war, SSA began to set up "contact stations" in public buildings at locations with a predictable workload but not enough volume to warrant a permanent office.

In the late 1960s and early 1970s, SSA's responsibilities increased with the enactment of the Medicare and SSI programs. To meet the need for more complete services in locations that did not have the workload to justify what was then called a "district office", SSA established "branch offices". "Branch offices" provided the entire range of SSA services under the administrative jurisdiction of a "district office". Usually the

location was based on the number of beneficiaries, projected workload, and distance from a district office. However, a number of "metropolitan branch offices" were established in areas where low-income and minority populations were concentrated and studies indicated they were not making use of existing services. Outreach to low-income populations became especially important when the SSI program started in 1974.

SSA instituted the first "teleservice center" in 1968 to handle all telephone calls from the general public in a metropolitan area and relieve district and branch offices of the responsibility for answering general inquiries. SSA has begun to place increasing reliance on telephone contact, not only to handle general inquiries, but to process changes in a claimants status, and even to file claims.

In the future, the increasing use of computers will change the way Social Security field offices serve the public. While computers first came to the field offices with the SSI program in 1974, on-line access to records and processing of claims has not been possible for most of SSA's workload. Recently, SSA has begun to design and test a new system for field offices that will enable them to automate most of their workload, reducing the manual workload and the need for some staff. Parts of the system are scheduled to be installed nationwide as early as 1986.

CLOSING SOCIAL SECURITY FIELD OFFICES

A CHANGE IN PRIORITIES

In the 1980s, the focus has shifted from improving outreach and expanding field services to increasing the efficiency of SSA's existing field operations. As a result, many of the smaller and less efficient fieldoffices opened in the 1970s to bring services to SSA's beneficiaries have become targets for downgrading or closure. Since 1981, SSA has closed 27 field offices and opened only 3. Another 37 field offices have been downgraded since 1981, while only 15 have been upgraded.

The trend toward closing field offices has become particularly pronounced in the last two years. While SSA closed only 7 field offices in the three years from 1981 to 1983, they closed 20 field offices in the last two years, 14 of them this year. In addition, they have closed over 600 contact stations since the end of 1982.

GRACE COMMISSION RECOMMENDATIONS

Pressure to close SSA field offices came originally from the recommendations of the President's Private Sector Survey on Cost Control in 1983 that SSA close over 800 district and branch offices and eliminate completely all resident stations, contact stations, teleservice centers. The "Grace Commission", as it is commonly called, suggested that each of the remaining 500 field offices should have 50 to 100 employees and serve a population of 500,000 to 700,000. In addition, the Commission recommended eliminating 17,000 of SSA's staff positions.

The Grace Commission's rationale for closing offices was based entirely on cost factors with no assessment of the effect of closings on the quality of public service. The Commission anticipated saving $86 million in the first year from this change (less than .05 percent of SSA's annual outlays). Although the Commission noted that smaller offices were believed to be more efficient and provide higher quality services, they contended that a larger staff size would permit employees to specialize in particular SSA programs, and provide greater flexibility in responding to varying workloads. The Commission argued that although the expansion of SSA branch offices did improve public contact, the cost-effectiveness of this increased contact had never been measured. The Commission also noted that recommendations by district managers to close field offices often were not approved by the central office for "political reasons".

DELEGATION OF AUTHORITY TO REGIONAL COMMISSIONERS

Since October 1984, SSA has sought to make it easier to close field offices by delegating the authority to close offices to SSA's regional commissioners. Regional commissioners may now close or downgrade offices on their own authority, although they still need central office approval to open or upgrade a field office. SSA justified the delegation of authority as a way to expedite office closings:

> "The decision to provide you with the authority to close or convert field offices to offices of a lower status resulted from the many facility proposals requesting downgradings or closings, and the desire to "streamline" the approval process. Over the past 4 years, 70 facility changes have been approved/implemented. These changes represent annual net cost savings to the Administration of approximately $900,000." (Memorandum from Associate Commissioner Nelson Sabatini to All Regional Commissioners, October 11, 1984).

THE SERVICE DELIVERY PROJECT

SSA has further undertaken a review of all of its field offices to be completed by the end of 1987. This "service delivery project" is currently under way in the regions. Over 770 smaller Social Security offices are in the first two priority groups for review.

SSA states that the service delivery project is intended to apply uniform procedures to look at their service areas.

> "The review process may result in the creation of new facilities, possible closing of some current offices or consolidations of facilities (due to population shifts or rapid growth areas), and/or other approaches to service delivery."
> Quoted from the Service Delivery Review Methodology, SSA Office of Management, Budget, and Personnel, April 1985.

STAFF REDUCTIONS

SSA's efforts to reduce their total staff are also beginning to affect their ability to maintain their current complement of field offices. Over

the last 5 years, SSA has reduced the size of their field office staff by 2,845 positions -- from 42,011 in June 1980 to 39,166 as of July 1985. To date, the bulk of these reductions have occurred in the clerical staff, which has declined by 17 percent since 1980. Only 547 "public contact positions" (i.e. field, claims, and service representatives) have been eliminated -- only 2.5 percent of the total. However, the reduction in clerical staff has placed an increasing clerical burden on public contact staff.

SSA's staff reduction efforts have begun to intensify. As part of their proposed changes for the Fiscal Year 1986 Budget, SSA announced their intention to reduce Social Security staff by over 17,000 by 1990. The Acting Commissioner's original memorandum on this subject called for the elimination of 2,000 field office positions as the result of closing 100 to 200 field offices through the service delivery project. This reduction was in addition to 5,325 staff positions that SSA expects to eliminate when the new computer system is installed in the field offices. Although SSA no longer associates the reduction of 2,000 field office positions with the service delivery project, the 17,000 position target still stands without specifying where these 2,000 positions will be reduced.

FIELD OFFICE CLOSINGS - 1985

Pittsburgh - Hill District

The Hill District Branch Office is one of 16 social security field offices that has been or is scheduled to be downgraded or closed in 1985. It is located in an economically depressed area characterized by high crime rates, social and public health problems, high unemployment, and substandard housing. 70% of the Hill District population is black. Hill District residents maintain a high degree of identification with their community and there are numerous community groups actively working to improve the area.

The decision in 1969 to open a branch office in the Hill District (even though the downtown district office was only one half mile away) was in keeping with government policy to improve public service by locating more service facilities in areas with large minority and underpriviledged populations. The opening of the Hill field office was part of the Model Cities Project. With SSA assuming responsibility for the SSI program in 1974, it appeared that field offices would experience an even higher workload and that community outreach would remain an indispensible component of quality public service.

The workload did not, however, increase as much as had been anticipated. According to SSA, a decline in population reduced the workload further. In response to the declining workload, the number of Hill office staff was reduced from 21 in 1974 to 10 in 1982. In 1983 the branch office was downgraded to a resident station.

The decision to close the Hill District resident station was based on cost efficiency. The decline in workload (17% in 1984) made it difficult to staff that office efficiently. The smallness

of the office did not lend itself to efficiently utilizing the new computer system. Other considerations were the close physical proximity of the Hill office to the downtown office and the fact that the Hill office lease was due to expire this year.

In mid April of this year, the Pittsburgh District Manager, Tom Babstibner, advised Senator Heinz that the Hill office would close on September 1, 1985. Following negotiations, it was decided to keep the Hill office open two days a week as a contact station.

Other 1985 Field Office Closings

The most significant common characteristic of field offices that are being closed is the large number that are located in economically disadvantaged, high minority areas. Seven out of sixteen offices fall into this category (Oakland CA, Minneapolis, East Chicage IN, Nashville, Pittsburgh, Portland, Louisville). This number becomes even more significant if the four rural offices (two in Kansas and two in Nebraska) are considered separately. The seven offices were all opened in the late 1960s/early 1970s when community outreach was a high priority. They are all located within less than five miles from another office, generally the downtown district office.

In most cases it appears that congressional offices were notified about closing of offices when for all practical purposes the final decision had already been made. In one case, (East Chicago, IN) the congressional office found out about the closure only a month in advance and then only through rumours from the Mayor's office. The decision had been made despite the fact that there was no existing free public transportation available to reach the next closest office.

In contrast, the Portland office circulated a draft proposal to close a branch office with both community organizations and its congressional office several months ahead of time. These groups were encouraged to offer their suggestions and thoughts on the closing. The public was given advance notice of the decision. (The review of the Portland office, including a survey of its visitors, was initiated by the District manager. While other field offices in other areas were also reviewed before being closed, it is not clear who initiated the review and why.) Portland can be used as an example of handling the decision and notification of a field office closing in a responsible manner. East Chicago provides a example of sloppy handling of the same matter. The 14 other field office cases fall somewhere in between these two cases.

In each case, SSA gives a few standard reasons for justifying the closure of the field offices. These include: the close proximity of one office to another, the decline of service workloads and the accompanying decline in staffing levels, consolidation of offices is a more efficient use of staff, modernization of offices calls for a centralized specialized staff, and finally, use of telephone services can be substituted for use of field offices to a large degree. Overall, it is routinely emphasized that consolidating offices

will ultimately yield better public service and that cost considerations are secondary.

Conversations with congressional district staff and a review of correspondence between local SSA and congressional offices lead one to question SSA's forthrightness in explaining why certain field offices have been closed. Two district managers (Portland and East Chicago) clearly stated in writing that the need to reduce costs was a major determinant in their decision to close a field office. An off-the-record comment by yet another district manager indicated he was forced to close one of his offices in response to an order from his superiors.

TELEPHONE SERVICES

In its justification of field office closings this year, the Social Security Administration has contended that 80 percent of the public's business with SSA can be more efficiently handled over the telephone. Telephone services, however, may not at this time be an entirely acceptable substitute for proximate field offices. More than 4 percent of the elderly households do not have telephones currently, and a large number may have to give up telephones as local phone companies raise rates in the wake of the divestiture of AT&T. In addition, there is some concern that SSA may not be committing the resources and training to telephone services that will be necessary to provide easy access to accurate information and timely assistance.

To get a sense of the quality of the Social Security Administration's telephone services, the Special Committee on Aging staff made a non-scientific telephone survey of a sample of 10 Teleservice Centers and 10 Social Security district offices. Two calls were made to each center and district offices to ask a different question each time. The survey was intended to assess 1) the quality of access to the telephone service (i.e. the number of busy signals and length of time placed on hold), and 2) the accuracy of the information provided in response to our questions. Cities and rural locations across the country were selected. The survey was conducted during the last week of August and the first week of September so that the quality of services in peak and slack periods could be compared. It is important to note, however, that since the survey was informal, the results are not representative of the quality of SSA's telephone services in general.

Several results from the survey are worth noting. On the subject of access, it appears that SSA does not maintain enough telephone lines to assure easy access during peak calling periods. While it was not difficult to reach either a teleservice center or a district office for information during the last week of the month, it was very difficult to reach either during the first week of the month. While 20 offices were contacted with only 21 calls at the end of August, it took 51 phone calls to reach 20 offices the firstweek in September. For the nine offices for which we got busy

signals, it took an average of 4.4 calls to reach a Social Security representative.

The lack of access during a peak period was further illustrated by the length of the waiting time on hold before a worker came on the line. At the end of August, fewer than half of the completed calls (8 of 20) were placed on hold, with an average wait time on hold of 1 minute and 27 seconds. However, at the beginning of September, three-fourths of the completed calls were placed on hold (15 of 20) and the average wait time was much longer -- 4 minutes and 30 seconds.

There was a surprisingly high rate of inaccurate or misleading answers given to the questions asked during the survey. The accuracy of responses was not affected noticeably by whether they were asked in a peak or slack period. Survey responses were rated as correct if the information was correct in every detail; misleading if some correct information was given, but the ommission of some details made it misleading; and incorrect if the answer was totally wrong. During the last week in August, 11 of 20 or 55% of the questions were answered correctly, 6 or 30% were answered with a misleading response, and 3 or 15% were answered incorrectly. During the first week in September, 12 of 20 or 60% were answered correctly, 5 or 25% of the questions received a misleading answer, and 3 or 15% were answered incorrectly.

Teleservice centers provided slightly more accurate information than did the district offices during the two weeks combined. The centers provided correct responses for 13 of the 20 calls or 65% of the time, fair responses 2 or 10% of the time, and 25% of the time provided poor or incorrect information, 4 and 1 respectively. The district offices provided correct answers for 10 of the 20 attempts of 50% of the time, a fair answer one time, and poor and incorrect answers 45% of the time, 4 and 5 respectively.